FINANCIAL TIMES

Europe's Business Newspaper MONDAY NOVEMBER 22 1993 D8523A

Nigeria report calls for probe into 'leakage' of funds

A confidential report for Nigeria's deposed civilian leader, Chief Ernest Shonekan, attacks widespread leakages in state funds and urges an investigation into $1.5bn of oil receipts paid into special project accounts in the first half of this year.

The report also reveals that the mid-year limit for this year's national budget has been overshot, with the deficit reaching N26bn ($540m), far more than the N15.6bn target and just short of the N31.1bn deficit approved for the full 12 months. It also warns of "huge" defence ministry debts. The disclosures come as the UK and its Western European Union partners meet in Luxembourg to consider sanctions against Nigeria's new military government. Page 14; Observer, Page 13; Donors to debate Kenya aid, Page 4

Reforms hit European drug sales: Drug sales in Europe have stagnated following healthcare reforms in Germany, Italy and the UK. Page 14

Prince Charles seeks support: Britain's Prince Charles is frustrated by apparent lack of support from some strong UK government departments for royal visits abroad which could help secure export business for the UK. Page 14; A prince captured, Page 13

US gun controls nearer: US Congressional leaders were negotiating a final version of gun control legislation, after extreme public pressure forced the Senate to pass a bill on the issue by 63 votes to 36. Page 4

115 killed in Macedonia aircrash: All but one of the 116 people aboard a Macedonian airliner were killed when it crashed into a hill and exploded near the tourist resort of Ohrid.

Caution on Brussels jobless plan: European finance ministers will today discuss an ambitious strategy for halving unemployment in the European Union by 2000. Ministers are expected to give a cautious welcome, but some member states - notably the UK and Germany - are likely to resist commitments to specific targets for job creation, growth and interest rate policy. Page 2;UK faces up to rules on working time, Page 6

UK PM seeks to reassure Ulster Unionists: John Major, the UK prime minister, moved to regain the initiative in the Northern Ireland peace process by reassuring the Protestant majority that they retained an absolute veto over change in the status of the Province. Page 6

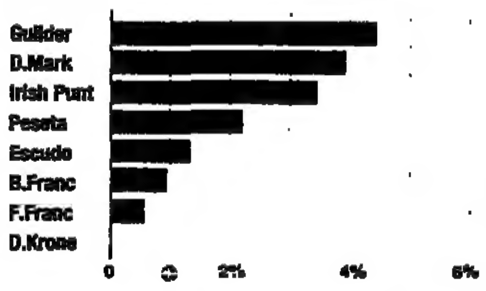
Forte, the UK hotels and restaurants group, is believed to be close to an agreement to sell its stake in Kentucky Fried Chicken to Pepsico, its partner in the business. Pepsico is expected to pay Forte about £40m ($59.6m) for its 50 per cent stake in the venture. Page 15

Lloyd's agents asked to back Merrett: Lloyd's insurance agents will be asked today to increase support for Merrett-managed insurance syndicates amid fears that their failure could lead to the break-up of the Merrett Group. Page 15

Japan audio makers suffer: Pioneer, the specialist audio and laser disc maker, suffered an operating loss of Y1.25bn in the first half, while Kenwood, the specialised audio maker, reported a pre-tax loss of Y2.46bn in the same period. Page 21

European Monetary System: The Dutch guilder continues to be the strongest currency in the system although the gap between it and Danish krone, the system's weakest member, narrowed further last week to 4.51 per cent from 4.77 per cent. In a week of falling money market interest rates in the EMS, the Portuguese escudo continued its steady climb in the ERM rankings, changing places with the Belgian franc to occupy fifth place. Currencies, Page 27

EMS: Grid November 19, 1993



The chart shows the member currencies of the exchange rate mechanism measured against the weakest currency in the system. Most of the currencies can fluctuate within 15 per cent of agreed central rates against the other members of the mechanism. The exceptions are the D-Mark and the guilder which move in a narrow 2.25 per cent band.

Italy's ruling party heads for setback: Italy's long dominant Christian Democrat Party looked set to be seriously weakened in partial municipal elections involving a quarter of the Italian electorate in 428 municipalities.

Brazil's largest party under strain: Senior politicians from the Party of the Brazilian Democratic Movement (PMDB), the country's largest party, are holding talks which could lead to a split in its ranks ahead of next year's presidential elections. Page 4

City share system
The new share settlement system proposed for the City of London will cost about half as much as the Stock Exchange's failed Taurus project, according to details to be unveiled later this week. But because the new system will be much less sophisticated, companies are likely to have to spend more developing their computer link-ups.

Four-airline merger plan ends in clash over US link

By our industrial and foreign staff

One of the most ambitious European mergers ever attempted collapsed yesterday after KLM Royal Dutch Airlines, Swissair, Scandinavian Airlines System and Austrian Airlines failed to agree on a common US airline partner.

The four medium-sized carriers said in a joint statement that they had decided to abandon their seven months' negotiations because of "fundamentally different views" on a US partnership.

Swissairblamed KLM for the collapse of the proposed Alcazar alliance, which had been intended to create a fourth airline force in Europe to compete against the big three carriers: British Airways, Lufthansa and Air France.

The collapse of the Alcazar project is likely to hasten the consolidation of the European industry around the strongest groups, such as BA and Lufthansa, which have already set up global alliances.

Mr Otto Loepfe, Swissair's chief executive, said the three other partners had favoured Delta Air Lines, in which Swissair holds a 5 per cent cross-equity stake, but KLM ultimately decided to stand by Northwest Airlines, in which it holds a 20 per cent stake.

Mr Loepfe said the four airlines had started negotiations with the assumption that Delta would be the US partner.

But KLM said last night that although it wanted to agree a deal, the Dutch carrier had concluded that the merger should go ahead only if Northwest and not Delta was chosen as the preferred US partner.

The negotiations were described by financial advisers as the most ambitious attempt to date to form a European cross-border merger, since it involved six listed companies and six governments (including the three Scandinavian companies and governments involved in SAS).

- Dream of freedom turns into a prison Page 15
- Lex Page 14

Although the four airlines managed to reach broad agreement on several complex issues - including the valuation of the proposed joint airline's assets, its headquarter location and joint management structure - the talks remained blocked on the US partnership issue.

Mr Loepfe said the four had considered having more than one US partner but decided against that on the ground that it would be confusing to customers.

Failure of the talks has now left the four airlines with the dilemma of how to secure their longer-term future in the increasingly competitive and rapidly consolidating airline industry.

All four sought to put on a brave face yesterday. KLM, which failed in earlier partnership attempts with Sabena of Belgium and British Airways, said it had no plans for the moment to resume merger talks with BA or to seek a separate deal with SAS.

SAS said it had not dropped the idea of an alliance with one or more European airlines, but Mr Tage Andersen, the Danish chairman of the SAS board, said the airline would stand alone for a period to consider its options. "This is not a catastrophe," he said.

Swissair also said it would seek other alliances. Mr Hannes Goetz, the airline's chairman, recently said if Alcazar flopped, the only option left for Swissair would be to join forces with Lufthansa, Air France or BA.

Austrian Airlines, the smallest of the four, said it would be considering co-operation with Swissair and Lufthansa, which disclosed this year that it was interested in establishing closer ties with Austrian.

Leaders foresee wider economic partnership after historic summit

Pacific rim ushers in 'brave new era for trade'

By Alexander Nicoll and George Graham in Seattle


Reuter

Fingers crossed: US president Bill Clinton bids farewell to Japanese prime minister Morihiro Hosokawa on the ferry from Blake Island, Seattle, after the Asia-Pacific Economic Co-operation summit

Leaders of Pacific rim countries, meeting in an unprecedented summit at the weekend, set out a vision of economic partnership which they said would give the Asia Pacific region a new voice in world affairs and would spearhead global growth in the 21st century.

Although they stopped far short of establishing a formal economic community, the leaders from the Asia-Pacific Economic Co-operation grouping indicated gathering momentum by agreeing to meet again in Jakarta in 1994 and calling a meeting of finance ministers in the first half of the year to discuss macroeconomic developments and capital flows.

PAGE 5
- Weary Clinton sets sights on Pacific goals
- Hosokawa wins respite in battle on market access
- Chinese leader cuts a figure on the world stage
- Lex Page 14

The heads of government of the US, Japan, China, Canada, Australia, New Zealand, South Korea, Indonesia, the Philippines, Singapore, Thailand and Brunei, together with ministers from Taiwan and Hong Kong, met for six hours in a replica of an Indian log longhouse on Blake Island, near Seattle.

The summit, held at the invitation of President Bill Clinton, was symbolic of the rapid growth of Asian economies and Pacific trade. It was remarkable for its studied informality, with few prepared statements and plenty of chats in small groups.

The leaders issued a "vision statement" which steered well clear of the many bilateral problems dividing Apec members and contained few specific commitments, but said: "Our economies are moving toward interdependence and there is a growing sense of community among us." The region, they noted, accounts for 40 per cent of the world's population and 50 per cent of its gross national product.

The statement's vagueness underlined the nervousness of Asian countries about creating new formal structures for co-operation, and particularly about agreeing to anything which could be interpreted as submitting to US domination.

However, Mr Paul Keating, the Australian prime minister, said the summit had "diminished fears some countries might have had about the US and its motives and the whole development of Apec."

Mr Clinton said: "We've agreed that the Asian-Pacific region should be a united one, not divided. We've agreed that our economic policies should be open, not closed."

The leaders were emphatic that they were not attempting to establish an exclusive trade bloc and that they were determined to win a strengthened General Agreement on Tariffs and Trade. Most Apec countries, in a bid to give impetus to talks on the Gatt Uruguay Round, offered new tariff cuts in an agreement hammered out by ministers in Seattle last week.

Mr Clinton said: "We want Europe to work with us to get a good Gatt agreement by the end of the year. That's the message we want to send to our European friends." Gatt negotiators in Geneva are seeking an accord by a December 15 deadline.

Mr Winston Lord, the US state department official responsible for Asia, told reporters: "I think we will look back in ten or twenty years time and consider that this leaders' conference was a turning point in the Asia-Pacific." Apec members were, he said moving towards forming a community "in the sense of a family and in the sense of shared purpose."

The US enthusiasm for partnership with Asia underlines Mr Clinton's recognition of the region's growth and the need for the US to be involved in it for the sake of its future prosperity. However, he also emphasised that the US was stepping up its focus on the pursuit of human rights and democracy, as well as market access.

Mr Clinton's bilateral meetings with China's President Jiang Zemin and Mr Morihiro Hosokawa, the Japanese prime minister, produced no new commitments. China's insistence that the US should not link trade and human rights issues found an echo with virtually every other participating country.

Nevertheless, the leaders agreed to establish a Pacific Business Forum which would identify areas in which trade and investment could be facilitated, particularly for small and medium-sized businesses. They will also establish a programme to develop regional cooperation in higher education.

Israel and Egypt plan network power link

By Julian Ozanne in Jerusalem

Egypt and Israel have exchanged letters of understanding to begin detailed work on linking the two countries' national power grids and build a $1bn (£600m) pipeline to supply the Jewish state with Egyptian gas.

Both projects mark an early step in what Israel hopes will be a massive peace dividend in Middle Eastern regional integration.

Mr Moshe Shahal, Israel's energy minister, said at the weekend that he had negotiated the deals with Egypt's energy and oil ministers, with the approval of President Hosni Mubarak.

Israeli officials said experts from the state-owned electricity corporation would visit Egypt next week to begin a study with Egyptian counterparts on how best to link the electricity grids, which could be "done at once". The study will be financed by the European Union. Mr Shahal said the linking of regional electricity systems could save Israel $200m and Egypt $78m by eliminating the need for parallel power lines.

Israel also hopes to include Jordan, Turkey and Syria in a

Continued on Page 14

New way to start the week with the Financial Times

Richard Lambert, the editor, introduces improvements to the Monday edition

Today's Monday FT has a number of new features and services. Our aim is to provide readers with a lively and authoritative guide to the week ahead by highlighting the events and trends which could shape their week.

The new Monday FT will include:

- The FT Guide to the Week Ahead on the back page of section II.
- Significantly expanded coverage in section II of what could be in store for companies and markets. Peter Martin, financial editor, explores global investment trends. A special table analyses worldwide investment returns. Peter Norman, economics editor, and Edward Balls of our leader-writing team, look at emerging economic policy debates.
- Special reports on the week ahead for companies, the international bond, equity and foreign exchange markets.
- A new page will take a fresh look every week at the increasingly popular emerging financial markets, especially in Asia and Latin America.
- The FT Guide to World Currencies, normally published on a Tuesday, will now appear on Monday, providing this comprehensive exchange rate information at the start of the business week.
- Four new features in the first section of the newspaper: a business travel guide, a column about international executives and jobs, a profile of a leading business figure and an international press review.

As a result of these improvements several features will move or disappear. We hope this will not inconvenience our readers.

Michael Prowse's column on America moves from the second section back page to the main features pages. The Monday interview will come to an end but regular interviews will now appear on the features pages on Tuesday. The international economic indicators will appear on Tuesday. The FT/Isma bond price table will continue to be published during the week but not on Monday. The construction contracts feature will disappear. Large construction contracts will be reported on the news pages.

I would welcome readers' views on these changes.

Austria	Sch30	Greece	Dr300	Lux	LFr65	Qatar	QR12.00
Bahrain	Din1.250	Hong Kong	HK$18	Malta	Lm0.60	S.Arabia	SR11
Belgium	BFr65	Hungary	Ft185	Morocco	MDh13	Singapore	S$4.10
Bulgaria	Lv25.00	Iceland	IKr215	Neth	Fl 3.75	Slovak Rp	KSL45
Cyprus	C£1.00	India	Rs40	Nigeria	Naira45	South Africa	R12.00
Czech Rp	CZK45	Israel	Shk5.90	Norway	NKr16.00	Spain	Pta210
Denmark	DKr15	Italy	L2700	Oman	OR1.50	Sweden	SKr15
Egypt	E£4.50	Japan	Y500	Pakistan	Rs35	Switz	SFr3.20
Finland	FM12	Jordan	JD1.50	Philippines	Pso45	Syria	S£50.00
France	FFr9.00	Kuwait	Fils600	Poland	Zl 32,000	Tunisia	Din1.250
Germany	DM3.30	Lebanon	US$1.25	Portugal	Es215	Turkey	L8000
						UAE	Dh11.00

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Some EU states are likely to resist targets in plans to boost economy

Caution on Brussels jobless plan

By Lionel Barber in Brussels

European finance ministers will today discuss an ambitious strategy for halving unemployment in the European Union by the year 2000.

The strategy is outlined in a European Commission report intended as a call to arms for a common approach on tackling the economic crisis and restoring European competitiveness.

Ministers are expected to give a cautious welcome, but some member states – notably the UK and Germany – are likely to resist commitments to specific targets for job creation, growth and interest rate policy.

The Commission's paper, Restoring Growth and Employment – Strengthening Convergence, has assumed added significance as a guide to macroeconomic policy as a result of the collapse of the European exchange rate mechanism last summer.

Among its chief recommendations are a cut in the EU average of short-term interest rates of between 2 and 3 percentage points, conditional on curbs in wage rises and public deficits; a cap on real wage rises set at 1 percentage point below the rate of productivity; an inflation target of between 2 and 3 per cent; and annual economic growth of 3 per cent from the mid-1990s.

The Commission also appeals for more flexible labour markets and a reduction in employment taxes, although it remains unclear how Brussels intends to propose funding these ideas.

Inside the Commission, officials are divided on whether to recover the loss in revenue through taxes on pollutants such as carbon dioxide, higher value added tax, or taxes on income from savings and investment. Another proposal is to penalise equipment deemed to be polluting, though this has been condemned in some quarters as a threat to the internal market.

Pro-labour forces are also pressing for a tax on capital to offset the sacrifices which employers and governments are expected to require from trade unions. They hope to receive a sympathetic hearing from Mr Jacques Delors, president of the Commission, who appears to have abandoned his earlier trial balloon in favour of a tax on speculative capital flows.

Mr Delors is close to completing his separate White Paper on competitiveness for the Brussels summit next month. Finance ministers led by Mr Kenneth Clarke, UK chancellor of the exchequer, are pressing hard to examine the White Paper ahead of the summit to test whether the Commission has incorporated members' submissions.

However, Mr Delors is said to be reluctant to hand over the whole Commission document, arguing that it would risk being mutilated by those seeking to strengthen their anti-Brussels credentials at home.

The Delors White Paper offers a framework for public discussion rather than directives for action. Though similar in content, the macroeconomic guidelines carry more formal weight since they have to be adopted by EU leaders under the Maastricht treaty.

Neo-fascists demonstrate in Madrid on the 10th anniversary of the death of General Franco Reuter

Finance ministers plan tighter banking supervision

By Lionel Barber in Brussels

European Union finance ministers are close to a deal on proposals to strengthen banking supervisory authorities in the wake of the collapse of the Bank of Credit and Commerce International.

Ministers from the Twelve will today review a Belgian presidency document which paves the way for tighter supervision of all financial institutions, including banks, credit institutions, and insurance businesses.

A central feature of the proposal is the requirement for transparent operations. The idea is to make it easier for the regulatory authorities and auditors to establish the financial soundness of a financial institution and, if necessary, prepare a case for intervention.

Other proposals for avoiding a BCCI-style scandal include:

- A requirement that financial institutions maintain their head offices in the same member state as their registered offices.
- An extension of the list of bodies with which confidential supervisory and prudential information can be exchanged by the authorities.
- Guidelines on whether auditors should be allowed to extend the scope of their reporting beyond the affairs of a specific financial institution to a group as a whole. This could allow auditors to track down, say, suspicious intra-company loans or outstanding debts.

The Belgian presidency of the EU and the European Commission have been co-operating to iron out last-minute difficulties among member states. A UK diplomat last week predicted there was a good chance of agreement.

The Commission said last summer that the basic approach of its second banking directive, investment services directive and third-generation insurance directive remained sound. But it was necessary to put forward new provisions to strengthen supervisory powers.

Greek bank governor resigns

By Kerin Hope in Athens

Greece's central bank governor, Mr Efthymios Christodoulou, resigned at the weekend in response to pressures from the socialist government.

Mr Christodoulou, a former economy minister appointed by the previous conservative government, said he was stepping down to make way for someone "closer to the government's political conviction".

Although the socialists had been expected to sack Mr Christodoulou because of his close connections with the opposition New Democracy party, the timing of his departure was a surprise.

His presence at the Bank of Greece was seen as a guarantee of stable exchange rate policy while the Socialists worked out measures to confront Greece's rising deficit.

The favourite to replace him is Mr Ioannis Boutos, another former economy minister who is close to Prime Minister Andreas Papandreou.

Ex-minister admits taking funds

Mr Paolo Cirino Pomicino, a former finance minister and a prominent Christian Democrat in Naples, has admitted receiving illicit funds, writes Robert Graham in Rome.

In an interrogation by Milan magistrates at the weekend – the first under new rules loosening parliamentary immunity – he admitted receiving up to L5bn ($3m) from Ferruzzi-Montedison.

The Ferruzzi family claimed the money was part of L150bn paid to politicians to facilitate the sale of the group's stake in Enimont, the chemicals joint venture with Eni, the state oil concern.

Burgundy prices fall again

Burgundy wine prices yesterday fell for a record fourth consecutive year at France's most renowned annual auction, reflecting a lacklustre world economy and overflowing supplies, writes Edmund Penning-Rowsell from Beaune.

Total bidding at the Hospices de Beaune auction of 1993 wines raised FFr10.6m ($1.8m) for 759 casks compared with FFr11.85m for 653 barrels last year.

Red wine prices fell by 25 per cent, and white wine by an average of 7 per cent. The drop reflected lack of interest in the more expensive Burgundies.

European drugs markets turn sickly

By Paul Abrahams

Europe's drugs market, which last year grew 8 per cent, has been undermined by reforms in Germany, Italy, and to a lesser extent the UK.

The German market has been hardest hit. German pharmaceuticals groups, often highly dependent on domestic sales, have suffered because of changes in doctors' prescribing habits away from expensive patented products to cheap non-patented products.

During the first four months, sales at the seven largest research-intensive drug manufacturers fell 16.5 per cent, while sales at the four largest generic companies increased 36 per cent, according to the Frankfurter Allgemeine Zeitung newspaper.

There are few signs of recovery since the healthcare reforms were introduced in January. Most drugs companies operating in Germany have announced restructuring programmes.

Five European markets continued to grow during the first nine months of this year, according to IMS International, the market research company.

French pharmacy drug purchases rose from $8.93bn to $8.96bn, an increase of 6 per cent at constant rates. Drugs purchases in the UK fell in dollar terms from $4.1bn to $3.7bn, but rose 11 per cent in local currency.

The Spanish market was one of the strongest in Europe. Although sales fell in dollar terms from $3.7bn to $3.3bn, they rose 12 per cent excluding currencies.

The Dutch market was also strong, registering a 12 per cent rise, although the market was static in dollar terms at $1.1bn. The Belgian market was also static at $1.1bn, but increased 5 per cent excluding currencies.

In the seven largest European markets, the hardest hit categories have been drugs for cardiovascular problems, muscular-skeletal complaints such as arthritis, and blood agents. All registered sales declines compared with the first nine months last year.

Sales of alimentary and metabolism drugs, mostly for ailments such as stomach ulcers, were static.

World pharmacy drug purchases January-September 1993 in US dollars (million)

	US	Japan*	Germany	France	Italy	Spain	UK	Netherlands	Belgium
Cardiovascular	$5,408	$2,239	$2,288	$2,255	$1,370	$597	$640	$218	$228
Alimentary, Metabolism	$5,281	$2,787	$1,623	$1,531	$954	$510	$714	$268	$181
Anti-infectives	$5,501	$744	$994	$1,003	$600	$326	$517	$145	$174
Central Nervous System	$3,419	$1,215	$1,010	$678	$399	$309	$560	$168	$111
Respiratory	$3,088	$1,976	$578	$1,032	$639	$408	$265	$79	$141
Musculo-Skeletal	$1,683	$1,423	$526	$405	$365	$168	$277	$55	$67
Blood, Organs	$1,369	$1,094	$363	$537	$437	$168	$61	$46	$45
Others	$7,420	$3,161	$1,963	$1,517	$1,527	$868	$745	$218	$194
Total	$33,169	$14,639	$9,345	$8,958	$6,291	$3,354	$3,779	$1,197	$1,141
% Increase*	4	13	-10	6	-3	12	11	12	5

Source: IMS International *Non-hospital market only *Increase excluding currencies

THE FINANCIAL TIMES
Published by The Financial Times (Europe) GmbH, Nibelungenplatz 3, 60318 Frankfurt am Main, Germany. Telephone ++49 69 156 850, Fax ++49 69 5964481, Telex 416193. Represented by Edward Hugo, Managing Director. Printer: DVM Druck-Vertrieb und Marketing GmbH, Admiral-Rosendahl-Strasse 3a, 63263 Neu-Isenburg (owned by Hürriyet International). Responsible Editor: Richard Lambert, c/o The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL, UK. Shareholders of the Financial Times (Europe) GmbH are: The Financial Times (Europe) Ltd, London and F.T. (Germany Advertising) Ltd, London. Shareholder of the above mentioned two companies is: The Financial Times Limited, Number One Southwark Bridge, London SE1 9HL. The Company is incorporated under the laws of England and Wales. Chairman: D.C.M. Bell.

FRANCE
Publishing Director: L. Rolley, 168 Rue de Rivoli, F-75044 Paris Cedex 01. Telephone (01) 4297-0621, Fax (01) 4297-0629. Printer: S.A. Nord Eclair, 15/21 Rue de Caire, F-59100 Roubaix Cedex 1. Editor: Richard Lambert. ISSN: ISSN 1148-2753. Commission Paritaire No 67808D.

DENMARK
Financial Times (Scandinavia) Ltd, Vimmelskaftet 42A, DK-1161 CopenhagenK. Telephone 33 13 44 41, Fax 33 93 53 35.

Secret services unite against crime

The Cold War's end has forced agencies to find a new role, **Our Foreign Staff** reports

Across Europe, secret services are coming in from the cold, as they search for new roles and greater public acceptability after the demise of superpower confrontation.

Governments are searching for value for money, while electorates have grown increasingly wary of secret service power and lack of accountability.

The response has been twofold. On the functional side, Europe's secret services have pooled their efforts against cross-border terrorism, and are stepping up co-operation to *combat a sharp rise in* organised crime stemming from the former Soviet bloc.

On the public relations side, countries such as Britain and Italy, whose intelligence services have traditionally been subject to little public scrutiny, are being forced to shift towards more open practices, similar to those of Germany and the Netherlands.

Britain's MI5 and MI6 and Germany's BND have quickly emerged as the key players in the struggle against drugs trafficking, arms-running and weapons proliferation. But intelligence agencies from now-democratic eastern Europe are also being drawn into the fray.

Links with the Russian intelligence service, the successor to the KGB, have been hampered by Moscow's admission that it is still spying on the west, particularly for scientific and industrial intelligence.

But MI5 has held training courses for members of the Czech, Hungarian and Polish intelligence services, designed to remodel these organisations on western lines.

A spokesman for Germany's BND confirmed last week that "contacts" exist with eastern European intelligence agencies in areas such as drugs and money laundering as well as terrorism.

The Czech republic is a par*ticular focus for attention.* Since the beginning of the year about 20 clandestine drugs laboratories have been uncovered there by the Czech police.

How Europe's secret services line up

UK

DOMESTIC: Security Service or MI5, under Home Office control. Mainly concerned with terrorism (chiefly IRA), counter-espionage, nuclear and chemical proliferation.
Head: Stella Rimington.
Employs about 2,000. Budget officially secret, believed to be £200m-£250m in 1992. Includes cost of ministerial protection.
FOREIGN: Secret Intelligence Service (SIS) or MI6, under Foreign Office control. Main targets eastern Europe, Middle East, proliferation.
Head: Sir Colin McColl.
Employs about 2,000 including UK diplomatic staff overseas. Budget official secret. Running costs believed similar to MI5.
COMMUNICATIONS: GCHQ, under Foreign Office control. Specialises in signals intelligence, including electronic intercepts and satellite monitoring.
Head: Sir John Adye.
Employment and budget official secrets. Believed to employ about 6,000-7,000, estimated budget over £300m.

Netherlands

DOMESTIC: Binnenlandse Veiligheidsdienst (BVD). Counter-espionage, combating organised crime, surveilling foreigners.
Head: Arthur Docters van Leeuwen.
Employs 600.

Germany

DOMESTIC: Bundesamt für *Verfassungsschutz*, under Interior *ministry control.* Counter-espionage, anti-terrorism, combating extremist *political groupings.*
Head: Eckart Werthebach
Employs 2,300, further 2,500 in Land offices. Budget DM227m (1993)
FOREIGN: Bundesnachrichtendienst, under control of chancellor's office. Anti-terrorism, proliferation, drugs smuggling, *money laundering*
Head: Konrad Porzner.
Employs 6,500, of whom 3,500 in HQ *near Munich, rest in 70 foreign* "residencies". Budget Officially secret, believed near DM1bn.

Italy

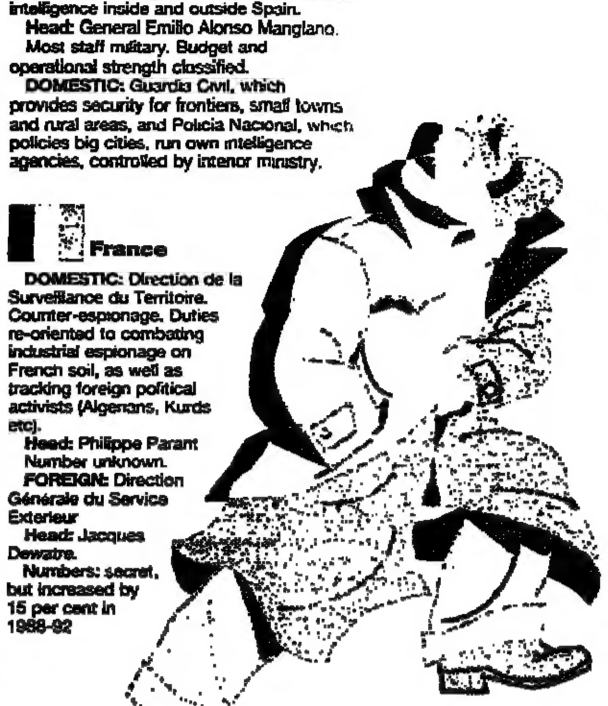
DOMESTIC: Sisde, under interior ministry control. Anti-terrorism; intelligence collection and assessment; technical and scientific.
MILITARY INTELLIGENCE, NATIONAL SECURITY: Sismi, under defence ministry control. Counter-espionage, organised crime and terrorism; *foreign operations;* communications and electronic monitoring.
Two bodies to be *merged* into a single Central Security Agency. Employed 4,421 in all branches in January 1993. Following scandals, 467 fired, arrested or retired early.
Annual combined budget: 1992: L696bn of which L358bn covert funds. 1993: L724bn.

Spain

NATIONAL SECURITY: Cesid department *of defence ministry.* Gathers and distributes intelligence inside and outside Spain.
Head: General Emilio Alonso Manglano.
Most staff military. Budget and operational strength classified.
DOMESTIC: Guardia Civil, which provides security for frontiers, small towns and rural areas, and Policia Nacional, which policies big cities, run own intelligence agencies, controlled by interior ministry.

France

DOMESTIC: Direction de la Surveillance du Territoire. Counter-espionage. Duties re-oriented to combating industrial espionage on French soil, as well as tracking foreign political activists (Algerians, Kurds etc).
Head: Philippe Parant
Number unknown.
FOREIGN: Direction Générale du Service Exterieur
Head: Jacques Dewatre.
Numbers: secret, but increased by 15 per cent in 1988-92



Police estimate 70 per cent of drugs entering Germany pass through the Czech Republic on *their* way to western Europe from the Middle East, the former Soviet Union and Latin America.

The Italian secret services, in the throes of radical reorganisation after widespread revelations of serious malpractice, are also believed to have intensified contacts with the Czech republic, Ukraine and Albania to combat the activities of gangs with possible Mafia links. "The conquest of mar*kets these days is more impor*tant than the defence of territory," according to one top Italian secret service official.

Italy, meanwhile, has provided a powerful example of the need to subject intelligence services to adequate political control.

As part of the overall attempt to clean up corruption throughout public life, magistrates are conducting at least four investigations into Italy's intelligence services. They are looking into alleged abuse of office, embezzlement and association with the Mafia.

To avoid such malpractice, the Rome government last month announced a radical reform of the intelligence ser*vices and their merger into a* single co-ordinating agency. This will be controlled directly by the prime minister's office and answerable to parliament both for its activities and the use of budgeted funds.

The Intelligence Services Bill announced in London on Friday contains provision for a parliamentary oversight committee to survey the activities of MI5, MI6 and GCHQ, which appears likely to play a similar role to the parliamentary committee that scans the German secret services. A similar committee is in operation in the Netherlands.

There are pockets of resistance to the relaxation in secrecy, with details of the *budget and staff numbers of* Spain's Cesid, and of the DGSE and DST – the foreign and domestic arms of the French intelligence services – remaining classified. But increased international co-operation among intelligence services is spurring moves towards greater accountability.

Britain's MI5 has built up particularly strong links to Germany's domestic intelligence agency, the BfV. Although the BfV is legally barred from participating in the battle against organised crime, German and British officials believe that co-operation between the two agencies has helped curb Irish terrorist attacks against British army *bases in Germany in recent* years.

As part of its informal study of German methods, MI5 has even looked at whether to adopt some elements of the BfV's relatively open approach towards disseminating information to the press.

Mrs *Stella Rimington*, the director-general of MI5, has lifted the veil on some aspects of the service by holding off-the-record conversations with journalists during the last year. Four months ago, MI5 took the unprecedented step of issuing a 36-page booklet on its activities.

However, Ms Rimington is unlikely to raise her public profile to the extent of Mr Eckart Werthebach, the BfV chief, who *makes frequent* TV appearances. A European intelligence service chief with close contacts to Mrs Rimington says he has advised her against becoming a public figure in view of the threat from the IRA.

A new public relations role for MI6 appears even more unlikely. MI6 has made clear its reluctance about subjecting its chief, Sir Colin McColl, to even the limited public exposure given to Mrs Rimington. *MI6 argues it already faces* considerable government checks and balances.

In an example of the limitations on MI6 disclosure, Baroness Daphne Park, a former MI6 controller, has been given clearance to answer questions on British TV. An interview is being screened tonight in which she talks of the information MI6 provided to the UK government before the August 1991 coup against Mr Mikhail Gorbachev, the former Soviet president.

Although Baroness Park (who retired from a key intelligence role in 1980) is the most senior MI6 figure ever to speak on British TV, she gives no significant insights into MI6 policy. By contrast, Mr Konrad Porzner, the head of the German BND, already related in a German press interview during the summer how his agency gave the Bonn government forewarning of the August 1991 coup.

Report by: Tom Burns, Jimmy Burns, Robert Graham and David Marsh

Corruption curbs Czech crackdown

Four years after the revolution that swept away communism, the Czech republic is stepping up efforts to co-operate with western intelligence and police agencies in the struggle against international arms and drugs smugglers.

However, the Czechs have yet to establish an intelligence service that is reliable and *untainted by the former* regime.

As a result, there is concern that inexperience, slack controls and corruption are severely constraining the drive against organised crime.

A new Czech intelligence service (BIS) was established at the end of last year, in the second reorganisation of the security services since the revolution.

BIS has particular links *with Britain's MI5 and MI6, as* well as with Germany's BND. It has also forged ties with the international police organisation Interpol.

Co-operation is taking place with Moscow, too. Last May, Mr Yevgeny Primakov, director of the Russian foreign intelligence service, paid a discreet visit to Prague in an attempt to improve contacts.

However, former employees of the secret police (StB), many of whom still work in the Czech security services, are believed to be using their connections and access for illicit purposes.

Two months ago Mr Vaclav Benda, chairman of the Christian Democratic party (KDH) termed as unacceptable the presence of roughly 65 former StB employees in the reorganised BIS.

Several cases of illegal bugging – notably, within Justice *Ministry offices – and the* theft and sale of classified Interior Ministry information have been reported in recent months.

Among scandals involving former StB agents, the most notorious is an alleged attempt to blackmail Mr Viktor Kozeny, head of one of the country's largest investment funds. The alleged blackmailer, who is currently standing trial, is said to have used information gathered by the StB in his attempt to extort *money from Mr Kozeny.*

Since the fall of communism, illicit activities of all kinds have proliferated. They include money laundering, extortion, drugs running, racketeering, prostitution, and trade in weapons, explosives, radioactive materials, stolen cars and pirated videos.

The country has yet to set up an intelligence service untainted by the former regime, writes **Patrick Blum**

White collar or economic crimes have also risen exceptionally quickly, growing 75 per cent in the first nine months of 1993 compared with the same period in 1992, according to Czech police statistics.

Large quantities of Semtex explosive destined to be sold on the black market have been seized by Czech police since the spring, and several weapons caches have been found.

Before the revolution, the former Czechoslovakia was among the world's 10 largest exporters of weaponry, ranging from tanks to small arms.

Large amounts of weapons were left behind as Soviet troops withdrew following the dissolution of the Warsaw Pact military alliance.

Western banks plunged into Russian politics

Leyla Boulton on a pre-election financial curb

With the issue of a single presidential decree, western bankers have become embroiled in the politics of the Russian elections.

Three weeks before the elections to a new parliament, the Russian government has imposed restrictions which it condemned as reactionary when they were demanded by the old parliament. A presidential decree published at the end of last week prevents banks that are more than 50 per cent foreign-owned and have not begun serving residents from doing so until January 1996.

Only two of the dozen western banks that have already received licences to take deposits from Russian customers are spared, because their Russian subsidiaries are already up and running. They are Crédit Lyonnais Russie and BNP-Dresdner Bank's joint subsidiary, both of which are in St Petersburg, rather than Moscow, the country's banking capital.

Banks affected by the decree are: Chase Manhattan and Citibank of the US; France's Société Générale; the Netherlands' ING Bank and ABN-Amro Bank; Crédit Suisse; Bank of China; and Turkey's Yapi ve Kredi Bankasi, which planned to take a 51 per cent stake in a joint venture bank with Russia's Tokobank.

"How can you give out a banking licence and then a few weeks later say 'Sorry, we've changed our minds'," said one western executive involved in the Yapi ve Kredi project, which only got its licence on November 1. "It's ridiculous but we'll just have to figure out some new arrangement." One solution might be for Yapi to reduce its shareholding to 50 per cent but *take priority* over Tokobank in decision-making.

The western banks had no plans to take deposits from Russian individuals, but the decree deprives them of the opportunity to work with Russian enterprises including lucrative joint ventures with foreign shareholders.

The decree was signed the day after a meeting between leading Russian bankers and Mr Yegor Gaidar, the first deputy prime minister, who heads the Russia's Choice electoral bloc. It fits in with the protectionist promises of other large parties competing in the December 12 elections.

Apart from the desire to satisfy the powerful banks that are supplying much of the campaign finance, the decree is also part of efforts by radical government ministers to undermine Mr Victor Gerashchenko, the central bank chairman, who granted the licences.

Mr Boris Fyodorov, the finance minister, said on Fri*day the decree was in line with* international practice and intended to protect Russian banks' from losing their best clients and staff at a critical stage in their development.

Banks point to the more than $3bn accumulated by the International Moscow Bank, the first bank with foreign capital to open in Moscow, to illustrate their claims that prestigious western banks will steal their prized currency deposits *without putting more money* back into the economy.

They also point to the fact that IMB has lent a much smaller proportion of funds to the Russian economy than top Russian commercial banks.

Armenia, which has devoted much of its wealth to fighting a war with Azerbaijan, today introduces its own currency, the dram, after much hesitation in abandoning the rouble, writes Leyla Boulton from Moscow.

Moldova, another former Soviet republic involved in *ethnic strife, plans to intro*duce its own currency on November 29. This leaves only Belarus, which is negotiating full monetary and economic union with Moscow, and Tajikistan, sharing the rouble with Russia.

Meanwhile, Lithuania, one of the first republics to leave the Russian economic orbit, has concluded a trade pact with Russia to restore trading links built up during five decades of Soviet rule.

LEGAL NOTICES

UNITED STATES BANKRUPTCY COURT
SOUTHERN DISTRICT OF NEW YORK

In re

MACMILLAN, INC., et al.,
Debtors.

Chapter 11

Case No. 93 B 45625 (TLB)

Jointly Administered

NOTICE OF ENTRY OF AN ORDER (i) FIXING THE LAST DATE FOR FILING PROOFS OF CLAIM AND PROOFS OF INTEREST, (ii) EXTENDING THE TIME FOR FILING OF A DISCLOSURE STATEMENT, (iii) SCHEDULING A HEARING TO APPROVE THE DEBTORS' PROPOSED DISCLOSURE STATEMENT, (iv) SCHEDULING A HEARING ON CONFIRMATION OF THE DEBTORS' JOINT PLAN OF REORGANIZATION, (v) PRESCRIBING THE MANNER FOR FILING OBJECTIONS TO CONFIRMATION OF THE DEBTORS' JOINT PLAN OF REORGANIZATION, AND (vi) APPROVING THE FORM AND MANNER OF NOTICE OF THE DISCLOSURE STATEMENT AND CONFIRMATION HEARINGS AND BAR DATE

PLEASE TAKE NOTICE that:

1. Macmillan, Inc. ("Macmillan"), Macmillan College Publishing Company, Inc. ("College Publishing"), Jossey-Bass, Inc., Publishers ("Jossey-Bass"), and MCC LDM, Inc., formerly known as Molecular Design Limited, ("LDM"), the above-captioned debtors and debtors in possession (collectively, the "Debtors", each individually, a "Debtor"), filed their voluntary petitions for relief under Chapter 11 of title 11 of the United States Code, 11 U.S.C. §§ 101 et seq. (the "Bankruptcy Code"), on November 10, 1993 (the "Petition Date"). Pursuant to an order of the Court dated November 10, 1993, the Debtors' Chapter 11 cases have been consolidated for procedural purposes only and are being jointly administered. On November 10, 1993, the Court entered the above-captioned Order Fixing the Last Date for filing Proofs of Claim, etc. (the "Order").

2. The Debtors continue to operate their businesses and manage their properties as debtors in possession pursuant to sections 1107(a) and 1108 of the Bankruptcy Code.

3. Along with their petitions, the Debtors filed their Schedule of Liabilities, List of Creditors, and Statement of Affairs, as required by section 521 of the Bankruptcy Code and Bankruptcy Rule 1007, along with the other schedules required by Bankruptcy Rule 1007 (collectively, the "Schedules").

4. Simultaneously with the filing of the petitions and Schedules, the Debtors filed a Joint Prepackaged Plan of Reorganization (the "Prepackaged Plan") with the United States Bankruptcy Court for the Southern District of New York (the "Court"). Copies of the Debtors' Prepackaged Plan and the Schedules are on file with the Clerk of the United States Bankruptcy Court for the Southern District of New York, (the "Clerk"), United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004-1408 and may be reviewed between the hours of 9:30 a.m. - noon and 1:30 - 4:00 p.m.

Fixing Date For Filing Proofs of Claim

5. Except as provided in paragraph 6 below, each person or entity, including without limitation each individual, partnership, corporation, estate, trust, governmental unit, co-debtor, surety, and guarantor, but excluding any professional retained in the Debtors' Chapter 11 cases, that asserts any claim as defined in section 101(5) of the Bankruptcy Code, arising or deemed to have arisen against the Debtors, including certain subsidiaries of Macmillan listed on Schedule A that were merged into Macmillan or College Publishing, prior to the Petition Date shall file a written proof of claim that substantially conforms to the Official Form No. 10 so as to be received by the Court not later than 5:00 p.m. Eastern Standard Time on or before January 12, 1994 (the "Bar Date") at the following address:

United States Bankruptcy Court
Southern District of New York
Re: Macmillan, Inc., et al.
Bowling Green Station
P.O. Box 99
New York, New York 10274-0099

Proofs of claim may also be filed in person or by express mail by delivery to the Clerk of the United States Bankruptcy Court for the Southern District of New York, United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004-1408. Such proofs of claim will be deemed timely filed only if they are actually received by the Court as set forth above.

6. The following persons or entities are NOT required to file a proof of claim for the types of claims described below (but may do so if they wish):

(i) a claim of a customer or business vendor which arose out of a transaction in the ordinary course of business or operations of the Debtors, and claims based on a contract of a Debtor with an author, illustrator, contributor, agent, editor, or licensee for the development and publication of works or a contract for subsidiary rights arising from or pertaining to the development, publication, or distribution of works, including book club contracts, translation rights, permissions, foreign rights, and paperback rights;
(ii) a claim of a present or former employee of a Debtor for salary, wages, vacation pay, expense reimbursement, bonus payments, severance or salary continuation payments, contributions to a pension or benefit plan, or whose claim is otherwise for payments or benefits in accordance with a written agreement between the employee and a Debtor;
(iii) a claim which is listed on the Debtors' Schedules (as may be amended from time to time) and is not described as being "disputed", "contingent", or "unliquidated" and where the amount (if specified) and/or manner of classification set forth in the Schedules is accurate;
(iv) a claim for which a proof of claim has already been filed;
(v) a claim which has been allowed by an order of the Bankruptcy Court entered on or before the Bar Date; and
(vi) a claim by a present or former officer, director, or employee which is based on entitlement to contractual indemnification pursuant to an agreement or the bylaws of a Debtor.

7. To be properly filed, each proof of claim must (i) be written in English, (ii) set forth the specific name of the Debtor against which such claim is asserted (Macmillan, Inc. case number 93 B 45625 (TLB), Macmillan College Publishing Company, Inc. case number 93 B 45626 (TLB), Jossey-Bass, Inc., Publishers case number 93 B 45627 (TLB), and MCC LDM, Inc. case number 93 B 45628 (TLB)), (iii) describe the transaction or agreement giving rise or relating to the claim, (iv) set forth the amount of the claim in lawful currency of the United States as of the Petition Date, (v) set forth the names of any guarantor that has guaranteed the claim, (vi) describe any collateral and its estimated value, if applicable, granted to the creditor in respect of the claim (if voluminous, attach a summary), (vii) include copies of any invoices, statements, or other documents evidencing the amount and/or basis of the claim, (viii) be signed by the creditor or other person authorized to file the proof of claim, and (ix) conform substantially with Official Form No. 10.

8. Claims arising out of the rejection of executory contracts and unexpired leases or out of the recovery by the Debtors of a transfer of property must be filed by the later of (i) thirty days after the entry of a Final Order (as defined in the Plan) authorizing such rejection or recovery, and (ii) the Bar Date.

Fixing Date for Filing Proofs of Interest

9. Each person or entity asserting to be an equity security holder, as defined in section 101(17) of the Bankruptcy Code, in one or more of the Debtors as of the Filing Date, must file on or before the Bar Date (January 12, 1994) proof of such interest, so that such proof of interest is received by the Court on or before the Bar Date at the following address:

United States Bankruptcy Court
Southern District of New York
Re: Macmillan, Inc., et al.
Bowling Green Station
P.O. Box 99
New York, New York 10274-0099

Proofs of claim may also be filed in person or by express mail by delivery to the Clerk of the United States Bankruptcy Court for the Southern District of New York, United States Bankruptcy Court, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004-1408. Such proofs of interest will be deemed timely filed only if they are actually received by Court as set forth above.

10. To be properly filed, each proof of interest must (i) be written in English, (ii) set forth the name of the specific Debtor in which an interest is asserted (Macmillan, Inc. case number 93 B 45625 (TLB), Macmillan College Publishing Company, Inc. case number 93 B 45626 (TLB), Jossey-Bass, Inc., Publishers case number 93 B 45627 (TLB), and MCC LDM, Inc. case number 93 B 45628 (TLB)), (iii) describe the equity security, including the number of shares or other units, if any, constituting such interest, (iv) include copies of any certificates, instruments or other documents evidencing such interest, and (v) be signed by the interest holder or other person authorized to file the proof of interest.

Consequences of Failing To File Timely Proof of Claim or Proof of Interest

11. Any person or entity that is required to file a proof of claim or proof of interest in the form and manner specified by this Notice and who fails to do so on or before the Bar Date shall be forever barred from asserting such claims against or interests in the Debtors, their estates, their successors, or any reorganized entities comprising the Debtors' estates.

Time for Hearing to Approve Proposed Disclosure Statement and Objections Thereto

12. A hearing will be held on December 16, 1993 at 10:00 a.m., or as soon thereafter as counsel may be heard, before the Honorable Tina L. Brozman, United States Bankruptcy Judge, in Room 621-2 of the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004-1408, to consider approval of the Proposed Disclosure Statement and any other matter that may properly come before the Court at the time (the "Disclosure Statement Hearing"). The Disclosure Statement Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates at the aforementioned hearing or at an adjourned hearing thereof.

13. Objections to the Proposed Disclosure Statement must be filed with the Court and served upon (i) the Office of the United States Trustee, Southern District of New York, 80 Broad Street, 3rd Floor, New York, New York 10004, (ii) the Debtors' counsel, Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, New York 10005, Attention: John G. Gellene, Esq., and (iii) the Purchaser's counsel, Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, New York 10017, Attention: Lilian Kraemer, Esq., on or before December 9, 1993 by 5:00 p.m. Eastern Standard Time.

Time for Hearing on Confirmation of the Prepackaged Plan

14. A hearing will be held on February 1, 1994 (the "Confirmation Date") at 10.00 a.m., or as soon thereafter as counsel may be heard, before the Honorable Tina L. Brozman, United States Bankruptcy Judge, in Room 621-2 of the United States Bankruptcy Court for the Southern District of New York, Alexander Hamilton Custom House, One Bowling Green, New York, New York 10004-1408, to consider confirmation of the Prepackaged Plan and any other matter that may properly come before the Court at the time (the "Confirmation Hearing"). The Confirmation Hearing may be adjourned from time to time without further notice other than an announcement of the adjourned date or dates at the aforementioned hearing or at an adjourned hearing thereof.

Prescribing the Manner and Fixing Last Date For Filing Objections To Confirmation Of The Prepackaged Plan

15. All direct evidence to be presented in connection with the Confirmation Hearing must be in the form of sworn declarations or affidavits (the "Evidence"). Any Evidence (including any objection, comment, or response) and any memoranda of law relating to confirmation of the Prepackaged Plan must be in writing and shall be filed with the Court and served in accordance with the deadlines set forth below:

a. On or before January 25, 1994 by 5:00 p.m., any memorandum of law and any Evidence of the Debtors concerning approval of the confirmation of the Plan must be filed with the Court and served by first-class mail on the parties entitled to receive the Notice (as defined below).
b. On or before January 25, 1994 by 5:00 p.m., the Evidence of any party objecting to confirmation of the Prepackaged Plan and any memorandum of law must be filed with the Court and served upon (i) the Office of the United States Trustee, Southern District of New York, 80 Broad Street, 3rd Floor, New York, New York 10004, (ii) the Debtors' counsel, Milbank, Tweed, Hadley & McCloy, 1 Chase Manhattan Plaza, New York, New York 10005, Attention: John G. Gellene, Esq., and (iii) the Purchaser's counsel, Simpson Thacher & Bartlett, 425 Lexington Avenue, New York, New York 10017, Attention: Lilian Kraemer, Esq. so that it is received by said parties and the Court on or before such date and time.
c. On or before January 28, 1994 by 5:00 p.m., any reply of the Debtors to objections to confirmation of the Prepackaged Plan (if the Debtors choose to file a reply) and any reply of any party to the Debtors' Evidence or memorandum of law supporting confirmation of the Prepackaged Plan (if such party chooses to file a reply) must be filed with the Court and served upon the Office of the United States Trustee, Debtors' counsel, Purchaser's counsel, and any parties who have filed such objections, as the case may be, so that it is received by said parties and the Court on or before such date and time.

Other than testimony presented to rebut the aforementioned pleadings, no direct testimony will be admissible into evidence at the Confirmation Hearing unless it has first been reduced to a written declaration or affidavit and filed and served pursuant to the procedures set forth above. Additionally, the testimony of any declarant or affiant who does not present himself or herself for cross-examination at the Confirmation Hearing will be stricken from the record and will not be considered as testimony in determining contested matters at the Confirmation Hearing. Finally, any objections, comments, or responses not timely filed and served will be stricken from the record and will not be considered as testimony in determining contested matters at the Confirmation Hearing.

16. Pursuant to the procedures set forth above, you have the right to attend the Confirmation Hearing and present Evidence and memoranda of law on all matters concerning confirmation of the Debtors' Plan.

17. In the event that you have questions concerning the Debtors, the matters set forth herein, or the Plan, or you need an Official Form No. 10 proof of claim or interest, you may write or telephone Debtors' counsel, Attention: Jeffrey D. Saferstein, Esq. at (212) 530-4956 or Lisa A. Tunel, Esq. at (212) 530-5990, between the hours of 10:00 a.m. and 5:00 p.m. Eastern Standard Time for assistance.

Dated: New York, New York
November 10, 1993

BY ORDER OF THE UNITED STATES BANKRUPTCY COURT
FOR THE SOUTHERN DISTRICT OF NEW YORK
Honorable Tina L. Brozman, United States Bankruptcy Judge

Milbank, Tweed, Hadley & McCloy
1 Chase Manhattan Plaza
New York, New York 10005
(212) 530-5000
Attention: John G. Gellene, Esq.
Attorneys for the Debtors and Debtors in Possession

SCHEDULE A

Companies Merged Into Macmillan	Tax ID	Companies Merged Into Macmillan	Tax ID
Mills Acquisition Co.	06-1250118	Business Mailers, Inc.	36-2466885
Barnell Loft, Ltd.	52-1541956	Macmillan Information Company, Inc.	13-3424899
Katherine Gibbs Realty Trust	13-6156797	U.S. Directory Service, Inc	59-1387264
Maxwell Holdings, Inc.	13-3228981	Macmillan Real Estate Investments, Inc.	13-3502215
Maxwell Communication Corporation, North America	13-3386877	Macmillan (Delaware), Inc.	13-3598255
Maxwell Communication (Delaware), Inc.	13-3388853	Macmillan Divestiture Company, Inc. (fka: Armed Forces Journal International, Inc.)	52-1561765
Science Research Associates, Inc.	36-1748082	Macmillan School Publishing, Inc.	13-3523874
The Scribner Book Companies, Inc.	13-1284750	Macmillan School Publishing Holding Company, Inc	13-3702446
Atheneum Publishers, Inc.	13-1886308		
Macmillan Acquiring Corp.	13-3265000		
Webb Publishing Company	41-1546672		
Macmillan Capital Corporation	13-3139943		

Companies Merged Into Macmillan College Publishing	Tax ID
NE Acquisition Co., Inc.	13-3602910

Clinton plans crime crusade

Headway in Congress on gun control

By Nancy Dunne in Washington

US congressional leaders were yesterday negotiating a final version of gun control legislation, after the Senate, under extreme public pressure, passed a bill on the issue by 63 votes to 36.

The Brady Bill, named after its chief proponent Mr James Brady, who was wounded in a 1981 assassination attempt on President Ronald Reagan, imposes a waiting period of five business days on the purchase of hand guns. The waiting period would give dealers time to check the background of gun purchasers.

The Senate decision came in response to a flood of voters' telephone calls at the weekend which forced Republicans to abandon a filibuster that had threatened to scuttle the legislation.

"It's time to put the Brady bill behind us," said Senator Robert Dole, the Republican leader yesterday. Nonetheless, he voted against the bill.

The bill provides for $200m (£134.2m) in funding to establish a nationwide computerised system for the instant record check on would-be gun purchasers. This is designed to keep guns out of the hands of convicted criminals and the mentally ill.

Mr Brady, a haunting figure in his wheelchair as he lobbied for the legislation, said he was glad the Republicans had "come to their senses" to end the filibuster. "The way to stop the carnage on the street is with this small step," he said.

A separate crime bill, passed by the Senate, has additional gun control measures in a ban on the production and sale of some semi-automatic assault weapons, a ban on the sale of hand guns to juveniles and an end to the sale of armour-piercing bullets.

While these measures are minimal by international standards, many individual states have moved to tighten gun control rules even further. Senator Patrick Moynihan, a New York Democrat, has talked of taxing the sale of ammunition. President Bill Clinton has suggested he might be willing to ban sales of some types of bullet.

Now that anti-crime legislation is due to be signed, Mr Clinton is preparing a public crusade against law-breaking.

According to the Washington Post, an inter-agency group including presidential aide Mr David Gurgen is planning a number of presidential trips to stress community efforts against crime. The president is expected to link it to family issues.

Palestinian policemen in training yesterday at Amman. They are part of a 15,000-strong police force for the Gaza Strip and Jericho being trained in Jordan and Egypt. Associated Press

Rabin hails US pledges on defence and economy

By Julian Ozanne in Jerusalem

Mr Yitzhak Rabin, Israel's prime minister, returned from a 10-day visit to North America yesterday triumphantly saying he had won US economic and defence assurances which would bolster the Middle East peace process.

The strengthening of Israeli-US relations, a key factor in the electoral victory by Mr Rabin's Labour party last year, is critical for the prime minister to continue to win Israeli domestic support for his peace drive and assure the public of its future security.

Mr Rabin said President Bill Clinton had promised to maintain Israel's $3bn aid package for 1995 and "later on", despite a shrinking US foreign aid budget, and had agreed to supply Israel with advanced aircraft and other missile and weapon systems. The US had also agreed to lift current barriers on Israeli purchases of advanced US technology, including supercomputers, which would ensure Israel's military edge over Arab states.

Israel, the prime minister said, hoped to get a significant quantity of US military surplus equipment, such as 50 F16A jet fighters over the next two years. The weapons would be supplied "almost for free" because of cuts in the size of the US military.

"The US understands our security needs," Mr Rabin said at Ben-Gurion airport.

Mr Rabin said he had also discussed peace talks with Palestinians, Jordan and Syria, to prepare for the visit of Mr Warren Christopher, US secretary of state, to the region next month and he indicated he favoured a US-brokered secret channel of talks with Damascus. Israeli officials, however, said after Mr Rabin's Washington talks that Syria was priority number three after implementing the peace accord with Palestinians and having an official signing of a peace agreement with Jordan.

Donors likely to restore some Kenya aid

By Leslie Crawford, Africa correspondent

A meeting of Kenya's donors in Paris today is expected to restore a measure of financial assistance to President Daniel arap Moi's government despite continuing concern over corruption and tribal massacres.

Diplomats in Nairobi say governments are torn between the wish to support the economic reforms of Mr Musalia Mudavadi, Kenya's progressive finance minister, and their alarm at Kenya's deteriorating political situation.

Two years ago, the World Bank, International Monetary Fund and donor governments suspended balance of payments support to Kenya after a series of broken promises on political and economic reforms. The aid was worth $350m a year. Its loss plunged the economy into recession and led to an accumulation of $700m in debt-servicing arrears.

Most donors agree Kenya has made impressive economic strides in the past six months. Mr Mudavadi has curbed inflation, liberalised trade, floated the shilling, and cracked down on financial wrong-doing in the banking sector. He has even managed to dislodge some of the worst abusers of public office from their sinecures at the Central Bank.

However, progress has been overshadowed by the treatment of Kikuyu peasants, Kenya's largest ethnic group. More than 1,000 have been killed and tens of thousands hounded out of the fertile Rift Valley in what diplomats, the clergy and human rights groups believe is a terror campaign orchestrated by members of President Moi's coalition of minority tribes.

"The question of ethnic clashes will be at the forefront of our discussions in Paris," said Mr Henning Kjeldgaard, the Danish ambassador to Kenya.

Only a few days ago, Mr Mudavadi brought together the diplomatic community and senior government officials to defuse concern over the ethnic clashes. Diplomats were assured the killings would stop and that Kikuyus would be resettled in their former homesteads.

'Quarrel' sparked SA killing

A Johannesburg gun battle in which Mrs Winnie Mandela's driver-bodyguard was shot dead beside her was a non-political street quarrel, police said yesterday, Reuter reports from Soweto.

But the African National Congress called for further investigation of the possibility gunmen had tried to kill Mrs Mandela, the estranged wife of the ANC leader.

A total of 18 shots were fired in the fight which took place in a street crowded with revellers attending a festival. Mrs Mandela was unharmed.

Spotlight on work safety in China

By Simon Holberton in Hong Kong

One of China's worst industrial accidents, in Shenzhen, the country's showcase for economic reform, has underlined the other side of the country's modernisation drive – the parlous state of workplace safety and conditions.

More than 100 workers, mainly young women, were killed and injured when a toy factory caught fire late on Friday night. By yesterday the death toll had risen to 81 and injuries, mostly burns, to 31.

Faulty wiring was blamed for the fire in the Zhili toy factory, a Sino-Hong Kong joint venture employing 200 in the town of Kuiyong.

But the scale of casualties reflected the factory owner's practice of barring doors and windows to keep people inside the factory during work hours. More than 50 bodies were found behind a locked gate.

In 1992, more than 15,000 workers were killed in industrial accidents, confirming fears held by such institutions as the International Labor Organisation that safety standards in China are extremely lax.

Setback for talks on Hong Kong

By Simon Holberton

Hopes of even a partial settlement to Anglo-Chinese differences about Hong Kong's political development diminished at the weekend when Beijing hardened its position in the 16th round of bilateral talks.

It is understood that during the two days of negotiations in Beijing Chinese officials backed off from an offer to settle the so-called non-controversial aspects of Governor Chris Patten's plans for Hong Kong's democratic development.

The two sides resolved, however, to hold a 17th round of talks in the Chinese capital, starting on Friday, on arrangements for the colony's 1994 and 1995 elections.

This could be the last round if the UK stands by Mr Patten's legislative timetable calling for the introduction of his bill on December 8.

The Foreign Office official leading the British team said another round of talks was consistent "with our hope of a faster rhythm of discussions from now". He said Britain still hoped "it will be possible to reach an agreement on some of the uncontroversial issues".

Brazil corruption hearings strain party

By Angus Foster in Brasília

Senior politicians from the Party of the Brazilian Democratic Movement (PMDB), the country's largest party, are holding talks which could lead to a split in its ranks ahead of next year's presidential elections.

The talks reflect worries that the party has been seriously harmed by corruption hearings which are under way in Congress.

The hearings, which have accused several leading PMDB figures of corruption, are also seen to be helping the presidential ambitions of Mr Luiz Inacio Lula da Silva, the candidate of the left-wing Workers Party (PT).

Politicians from the PMDB's so-called "ethical" wing, which has not been tainted by the hearings, are considering whether to try to link with the country's other centre-left party, that of Mr Fernando Henrique Cardoso, the finance minister. The alliance would then be likely to support the presidential bid either of Mr Antonio Britto, a PMDB minister, or Mr Cardoso.

Such an alliance is complicated by regional factors. In states where both groups are strong, for example, one side would need to agree not to run candidates in congressional and gubernatorial elections, also set for next year.

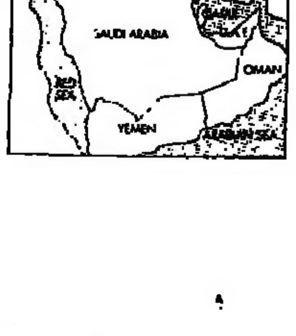
But, according to some PMDB figures, an alliance is the best way to split from the competing wing of the party, which has been involved in the corruption allegations and is controlled by Mr Orestes Quercia, the still powerful former governor of São Paulo state.

In the hearings, investigating allegations of corruption schemes involving funds from the government's budget, five of the eight main individuals so far accused come from Mr Quercia's faction.

Any alliance would probably have to be agreed before Christmas, in order to comply with election rules on party affiliation. The shortage of time means the two sides may agree to an unwritten understanding rather than a formal alliance.

However, opinion polls released yesterday suggest the party needs to act quickly.

Since August the popularity of "Lula", as the PT candidate is known, has increased by four percentage points to 31 per cent. His nearest likely contestant is Mr Paulo Maluf, the right-wing mayor of São Paulo, with 12 per cent, while Mr Cardoso is stuck on 7 per cent.



NB POWER

to proceed.
In the Ukraine, unable and
Electricité de France, told the

EU and US in crucial Gatt talks

By George Graham in Seattle and David Dodwell and Frances Williams in Geneva

European trade negotiators arrive in Washington today for a two-day meeting with US counterparts that is likely to determine the shape and scope of the Uruguay Round package of world trade reform.

"I am confident now that there will be an agreement by December 15," the deadline set for an accord, a European Union negotiator said before departure. "The Washington meeting will decide whether it is a big deal, or something more modest."

While warning that a "small package" would be much harder for national governments to ratify, he signalled that outstanding differences over protection and subsidies for steel presented a stumbling block. Negotiators would be trying to "reduce matters to an absolute minimum" – focusing on market access, trade in services, anti-dumping rules, subsidies and disciplines over support for steel and aircraft.

The Washington meeting between Mr Mickey Kantor, US trade representative, and Sir Leon Brittan, EU trade commissioner, will allow EU negotiators to learn how events of the past week have influenced US strategy towards completion of the Uruguay Round. The EU has been a spectator during the approval by the US Congress of the North American Free Trade Agreement and the US courtship of Asian nations at the Asia-Pacific Economic Co-operation summit in Seattle.

US officials said at the weekend they believed that winning congressional approval for Nafta had strengthened their hand in the Uruguay Round negotiations and had improved prospects of congressional support for the Gatt deal.

"A good consequence of the Nafta win is that while we really would like a deal, we don't have a high octane political need for one. When the president says we want a good one, we can mean that," an administration official said.

The Senate voted Nafta through on Saturday by 61-38. A total of 34 Republicans joined 27 Democrats in favour of the measure; 28 Democrats and 10 Republicans opposed it.

As the Uruguay Round approaches December 15, after which President Bill Clinton will lose his fast track authority to negotiate without line-by-line congressional oversight, the White House believes that the Nafta battle has re-established a constituency for free trade within Congress.

Mr Clinton said that the US would "not accept a flawed agreement" but added that a good Gatt deal could create 1.4m jobs in the US over 10 years.

Tom Burns adds from Madrid: President François Mitterrand of France underlined that the road to a Gatt agreement remained rocky when he used bilateral weekend talks with the Spanish government in Madrid to deliver a stinging attack on what he said were bullying US tactics following the Nafta accord.

He was supported by Mr Edouard Balladur, prime minister, who warned in a joint press conference with Mr Mitterrand and Mr Felipe González, Spanish prime minister, that the US would have to soften its stance on Gatt.

Weary Clinton sets sights on Pacific goals

The President showed new-found enthusiasm for the region at the Apec summit, writes **George Graham**

Judging by his haggard looks and weary tones as he delivered his final speech before leaving the Asia-Pacific summit in Seattle at the weekend, one might have thought President Bill Clinton had suffered a dismal week riddled with defeat. In fact, he left the summit as he arrived – riding high.

"Other than being tired, and he is very tired, he is loving it," a senior administration official said.

Mr Clinton came to Seattle fresh from victory in Congress on the North American Free Trade Agreement, and left after a step towards an ambitious vision of the US as a country that looks not only to the Atlantic but also, perhaps with keener interest, to the Pacific.

This vision is rooted in Mr Clinton's desire to place economics at the core of US foreign policy. In his election campaign last year Mr Clinton articulated the belief that US jobs depended on exploiting trading opportunities overseas, but US officials say he did not make a "gut connection" until the summit of the Group of Seven industrialised nations in Tokyo in July.

His message sharpened by the Nafta debate, Mr Clinton last week in speeches in Seattle closed the circle between international security policy, international economic policy and domestic economic policy.

"We cannot remain strong abroad unless we are strong at home," Mr Clinton said. "Stagnant nations eventually lose the ability to finance military readiness, to afford an activist foreign policy or to inspire allies by their example."

At a time when wealthy nations must become ever more productive to meet competition from both low wage countries and highly skilled countries, the only way they can increase jobs and raise incomes is through expanded trade. "There is no alternative. No-one has yet made a convincing case that any wealthy country can lower unemployment and raise incomes by closing up its borders. The only way to do it is to expand global growth and to expand each country's fair share of global trade," Mr Clinton said.

This emphasis on export opportunities has led the US inexorably towards the Asia-Pacific region, which is not only by far the fastest growing segment of the world economy but also the area with which the US has the largest trade deficit. Japan and China between them account for more than two thirds of the entire US trade deficit.

At the same time, Mr Clinton in Seattle directly linked US military presence in the Pacific and its security treaties with five countries in the region to expanded market access.

"We do not intend to bear the cost of our military presence in Asia and the burdens of regional leadership only to be shut out of the benefits of growth that that stability brings," he said.

The administration is anxious not to snub Europe. The approved formula adopted by even the most Asia-minded US officials, such as Mr Winston Lord, assistant secretary of state for the region, is that "no area will be more important than Asia," and Mr Clinton himself insisted that Europe remained "a central partner for the US in security, in foreign policy and in commerce".

But many senior officials can scarcely conceal the feeling that all Europe has to offer them is mature markets with few opportunities for expanded US exports, foreign policy nightmares such as Bosnia, and an unimaginative and backward-looking pessimism.

Turning Mr Clinton's new-found enthusiasm for the Pacific into something concrete may prove difficult. In the first place, the administration's approach to realising its goals in the region is largely built on combining divergent policies previously seen as incompatible alternatives: engaging China on trade issues while taking a tough line on human rights; aggressively pursuing bilateral trade initiatives while pressing on with multilateral talks in the Gatt round; seeking to expand its free trade agreements in Asia and Latin America at the same time.

"We want it all," says Ms Joan Spero, undersecretary of state for economic affairs, while experts from the Bush administration scoff at their successors' inability to set priorities.

Second, many Pacific nations – including even those with a more western heritage, such as Australia – resent the US efforts to link its own values, such as human rights, market economics and democracy, to trade. Asian leaders look at a US beset by budget deficits, governmental gridlock and violent crime, and question whether this is a price worth paying for greater democracy.

Third, many Asian members of Apec have shown reluctance in Seattle to get sucked into grandiose US schemes for Mr Clinton's "new Pacific community," in which Apec could play the same role of anchoring peace and prosperity in Asia that Nato played in weathering the Cold War in Europe. Several countries remained wary of any attempt to institutionalise Apec with larger bureaucracy and more regular meetings.

US officials describe these reticences as "birthing pangs," and for all their doubts, Apec leaders took several steps in the US's direction. They agreed tariff cuts as a token of sincerity in final Gatt negotiations, accepted the US proposal for a meeting of Apec finance ministers, and agreed on a leaders' summit in Indonesia next year.

But the US's Asia vision has a long way to go before, as Mr Clinton hoped, "future generations may look back and say they can't imagine how the Asian-Pacific region could have thrived in such a spirit of harmony without the existence of Apec".

Leaders at the Apec summit held a session in a log cabin on Blake Island off Seattle at the weekend Associated Press

Hosokawa wins respite in battle on market access

By George Graham in Seattle

Japan's government has won a breathing space to press ahead with its political reforms before it faces more US pressure to open its markets and stimulate its economy.

US officials are increasingly convinced that Mr Morihiro Hosokawa, Japan's prime minister, is bringing real change to his country's political system, and are willing to wait until he can win this battle in the Japanese parliament before pressing their demands for access to the Japanese market.

President Bill Clinton, fresh from a bruising struggle to win congressional approval of the North American Free Trade Agreement, sympathises with Mr Hosokawa's political difficulties.

"The president clearly sees political reform as Hosokawa's Nafta," a senior administration official said, echoing Mr Hosokawa who said the next legislative hurdle, in the upper house, for his reform plans would be just as difficult as the Nafta debate was in the US.

US officials insisted they were not disappointed that the bilateral meeting had yielded no specific progress either on opening the Japanese rice market or on the additional measures to stimulate economic growth that the US believes Japan should undertake.

Mr Clinton said he hoped the two countries would over the coming months take action to boost the world economy.

"By next June or July, certainly by a year from now, I believe that the responsibilities of the United States and Japan to do more to promote global economic growth will have been in large measure advanced," he said.

Mr Hosokawa, however, said later that he had no idea what Mr Clinton was talking about.

Senior US administration officials said they still believed further stimulus to demand in the Japanese economy would be timely, but said there could be no question of the US trying to dictate to Japan the size or timing of a tax cut or tax reform programme.

Progress on bilateral trade issues is unlikely to materialise until the days before Mr Clinton and Mr Hosokawa next meet on February 11.

"The pattern historically is that change occurs at the eleventh hour. We will have to see if the three key areas of procurement, insurance and automobiles yield concrete results or not," a senior administration official said.

But Mr Hosokawa repeated Japan's opposition to setting numerical targets for foreign market shares, and insisted that the bilateral trade talks could not be a one-way street.

"We will do our best with regard to market access, but efforts will have to be made on the US side to improve its competitiveness," Mr Hosokawa said.

Chinese leader cuts a figure on the world stage

By Alexander Nicoll in Seattle

China's President Jiang Zemin did not quite go to the extent of donning a ten-gallon hat – as did his patron, Mr Deng Xiaoping, when he visited the US in 1979.

But the crusty Communist party general secretary went out of his way to make an impact as a world leader during the weekend summit in Seattle.

Mr Jiang talked expansively but uncompromisingly in a 90-minute session with President Bill Clinton. He had individual meetings with leaders of Indonesia, Australia, South Korea, Canada, Japan and Thailand. He dropped in on a "typical" middle-class American family, handed out a stuffed panda and a doll in exchange for cookies and a picture of Sleeping Beauty, and brandished pictures of his grandchildren.

For Mr Jiang, the summit could not have been held in a more symbolic city than the home of Boeing, which dominates the local economy. China has bought more than 200 Boeing aircraft since the 1970s and is the company's biggest foreign customer. Thanks to the country's economic boom and renewal of its infrastructure, it promises to remain so.

But if Mr Clinton removes China's most favoured nation trading status, as he threatens to do next year, Seattle would fear the consequences. Visiting Boeing's Everett plant, Mr Jiang pointedly thanked Mr Frank Shrontz, Boeing's chairman, for the company's efforts to maintain China's MFN status. Chinese officials repeatedly pointed out the US would suffer if MFN is revoked.

Mr Clinton, after several months of worsening relations, has embarked on a new policy of closer engagement with China, involving higher-level and more frequent discussions than had occurred since before the Tiananmen Square killings in 1989.

However, he made clear to Mr Jiang this does not imply a lessening of US pressure on China for improvements in human rights, market access and nuclear non-proliferation – all conditions set by the US president for MFN renewal next June.

On human rights, Mr Clinton spelled out specific demands for International Red Cross access to Chinese prisons; release of political prisoners particularly if they are ill; a dialogue by Beijing with the Dalai Lama, the exiled Tibetan spiritual leader; and access by US customs officials to ensure prison-made goods are not exported to the US.

Mr Jiang delivered a 15-minute statement on the diversity of the world's nations and the need not to interfere in each other's affairs. But he did discuss the North Korean nuclear threat and indicated China was prepared to discuss the issues which were of concern to the US.

Both men said the meeting was a "good beginning". Mr Clinton said it "established our determination to build on the positive aspects of our existing relations, and to address far more candidly and personally than we have in the past the problems that remain".

China had not been expected to give ground in so public an arena as the first meeting between the two presidents. But Mr Warren Christopher, secretary of state, was encouraged that they had met, that Mr Jiang had not refused to "engage", and that they had "a vivid and animated discussion".

Despite China's rejection of US demands, stepped-up and forthright dialogue seems likely to continue, with end-year deadlines looming for resolution of market access and textile disputes and congressional hearings on the MFN issue due in January.

Mr Mickey Kantor, US trade representative, said Beijing's trade surplus with Washington could reach $23bn (£15.6bn) this year and described it as "politically and economically unacceptable." Ms Wu Yi, China's trade minister, responded that "China has never been afraid of sanctions."

INTERNATIONAL PRESS REVIEW

Nuns vote in Rome yesterday: the scandal-ridden Christian Democrats are set to be big losers Reuter

Saudi Arabia

If Saudi newspapers reflect official policy, Israel would be wise not to begin counting its diplomatic and economic chickens in the Middle East before the outline peace agreement with the Palestine Liberation Organisation is well and truly hatched. Whatever progress Israel may have made on softening a formerly hostile media in other parts of the world, for journalists in Saudi Arabia it remains a subject ripe for plucking.

The visit to Washington last week by Mr Yitzhak Rabin, Israel's prime minister, was a chance not to be missed. "Peace dividends or fruits of aggression?" was the rhetorical question posed on the opinion page of the daily Arab News. "Jewish leaders are making use of the (PLO) agreement to rob the world powers and force them to respond blindly to their demands", it maintained of Mr Rabin's talks with President Bill Clinton.

Elsewhere editorial writers contrasted what they saw as the urgent need for financial help in the Palestinian territories, with "American taxpayers' money showering down on Israel with hardly any restraint." They professed amazement "at how far the US is bending over backwards to try to please the Israelis".

Why they should be amazed is more difficult to guage when Saturday's leader column in the Saudi Gazette explained that the US is prone to "occasional fits of madness". It mattered not to the writer that the US galloped to the rescue when Iraq invaded Kuwait, presumably in one of its saner moments. What so upset him was the US and the UN "tightening the noose of sanctions around Libya's neck" and trying to impose some sort of "biblical justice" on an Arab people at a time when genocide was continuing against the Moslems of Bosnia.

For the record: Saudi Arabia officially supports the Israeli-PLO peace process and is closely allied to the US; it is disgusted with the response of the US and the Europeans to events in former Yugoslavia; and local newspapers do not get much opportunity for expressing strong opinions on events closer to home.

Nigeria

General Sani Abacha, Nigeria's new military leader, can expect a rough ride from the local press, even though his first action was to allow some national dailies banned since last July back on the streets.

If the state of a country's press were the only yardstick, democracy would seem to be flourishing in Nigeria. Few countries in Africa can boast such an array of newspapers – over a dozen on sale each day in Lagos, and at least a dozen more available in the rest of the country. It takes more than a coup to inhibit editors who have had to work under military governments for more than 20 of the 30 years since independence.

Not surprisingly, Gen Abacha's removal of Chief Ernest Shonekan, civilian head of a military-backed government, pushed the clamour against a seven-fold increase in fuel prices off the front pages.

"Shonekan resigns, Abacha takes over government" ran the Guardian's headline on Thursday, before the full impact of the action by the military to oust Mr Shonekan had become clear. By Saturday the impact of Gen Abacha's abolition of all elected civilian bodies was sinking in.

The Guardian, the most respected independent daily in Nigeria, also reported the first foreign reaction. Under the heading "Britain deplores change", it quoted foreign secretary Douglas Hurd's condemnation of military rule.

Italy

With such headlines as "The War of the Mayors" and "Mayors of the new Italy", the outcome of municipal elections dominated the Italian press last week, pushing aside the endless flow of corruption revelations.

La Repubblica summed up the political battle by saying: "Occhetto versus Bossi and Fini, Martinazzoli risks his job." Mr Achille Occhetto, leader of the formerly communist Party of the Democratic Left (PDS) is attempting to demonstrate that the Italian left at last is a credible contender for national government. To do this, the PDS no longer has to beat its historic rival, the Christian Democrats, but rather the protest vote on the right of Mr Umberto Bossi's populist northern League and the neo-fascist MSI of Mr Gianfranco Fini.

Mr Mino Martinazzoli, according to La Repubblica, risks losing the leadership of the Christian Democrats if the party performs poorly – as all the papers predict. Corriere della Serra yesterday observed that the Christian Democrats were relying on the "Truman effect" – a reference to the US president's surprise victory in 1948.

Corriere's chief cartoonist sets the scene with the unseasonal cold weather. Headlined "The forecast", the cartoon shows Mr Bossi pushing a snowball down from the icy north towards central Italy which in turn is receiving the cold wind of the right (a reference to the strong right-wing protest vote expected in Rome), and Mr Martinazzoli under an umbrella in the south.

The one piece of good news agreed by all was Italy's success in securing a place in the World Cup.

Ireland

It was soccer too which drew the biggest headlines in the Irish Republic's press, overshadowing London's and Dublin's latest peace efforts for Northern Ireland.

The World Cup qualifying round between the Republic of Ireland and Northern Ireland last Wednesday was played at Belfast's Windsor Park in front of an almost exclusively, and very hostile, Protestant crowd. The one-all draw was sufficient for the Republic to qualify, but more important for the political columnists, the match provided a handy juxtaposition for them to score their own points.

As one in the Irish Times wrote, the match "may have done more than acres of print and yards of film to give outsiders a whiff of the poisoned gas of communal conflict".

More sportingly, Fintan O'Toole, also of the Irish Times, who described how out of consideration for his physical integrity he spent the match pretending he was a Protestant, had an upbeat view of the result. It produced, he said, "something it's hard to see in Belfast – triumph without victory, joy for one side without defeat for the other, pride at nobody's expense, a game in which everybody has won".

The Irish government must have thought it had scored an own goal last Friday, when it discovered its negotiating position revealed in full detail in the Irish Press daily paper. Who leaked the story? Some papers pointed to an emerging conflict within the Labour-Fianna Fail coalition.

Expectations are high for a positive outcome to the political final – the Anglo-Irish summit in Dublin next month, but the commentators are preparing their readers for what might be an inconclusive draw on home ground.

Contributors: Robert Graham in Rome, Tim Coone in Dublin, Paul Adams in Lagos and Roger Matthews in Riyadh

Major seeks to reassure Ulster Unionists

By Philip Stephens, Political Editor

Mr John Major, the prime minister, last night moved to regain the initiative in the Northern Ireland peace process by reassuring the protestant majority they retained an absolute veto over any change in the status of the province.

After the weekend disclosure of fresh talks between Mr John Hume, the SDLP leader, and Mr Gerry Adams of Sinn Féin, Downing Street flatly rejected any possibility that a revived Hume-Adams peace plan could form the basis for a political settlement.

The prime minister's office similarly dismissed weekend speculation that it might respond to a cessation of violence with an amnesty for terrorists. It declared that the presence and number of British troops in the province could not be a subject for negotiation.

That was coupled with a strong reaffirmation that the Government's "constitutional guarantee" to the people of Northern Ireland meant that the democratic rights of the majority would never be prejudiced.

Mr Major is relying on the support of the nine Ulster Unionist MPs to get through controversial legislation at Westminster. More importantly, the prime minister is aware that without Mr Molyneaux's backing it will be impossible to secure a political settlement in Ulster.

Officials said detailed proposals handed by the British to the Irish government for a new constitutional settlement in Ulster did include recognition of Dublin's aspiration to a united Ireland.

But the British draft of a new accord to replace the 1985 Anglo-Irish agreement fell far short of Dublin's call for a significant element of joint responsibility in the administration of the province.

The Irish prime minister yesterday offered an upbeat assessment of the possibility of a permanent cessation of violence by the IRA and its loyalist counterparts. Mr Reynolds also distanced himself, though rather more gently than the British government, from the Hume-Adams initiative.

Britain faces European rules on working time

By David Goodhart, Labour Editor

The European Union's controversial working time directive will be formally passed in Brussels tomorrow.

Both the British government and employers say that the sting has been drawn from the directive – especially in relation to the attention-grabbing 48-hour week limit.

But there is still plenty of regulation in areas such as night work, and statutory holidays, which could require fundamental changes in three years time. By then the directive will have to be implemented in Britain unless the British government's legal challenge to it should unexpectedly succeed.

Fundamental changes have, indeed, been achieved. For British employers alone there will be no 48-hour week limit for at least 10 years, although no employee can be forced to work more than 48 hours.

Even for employers in other member states the "reference period" within which the working week must not exceed an average of 48 hours will be a minimum of 4 months and, with union agreement, a maximum of 12 months.

But the entitlement to paid annual holidays of at least four weeks per year could have a big effect in Britain, where holiday provision, like much else, has no statutory underpinning.

It is not yet clear whether the four week rule must be applied on a pro-rata basis to part-time workers, for example. These are important questions in Britain because of the 2.2m employees with no paid holidays, fewer than 20 per cent work 16 or more hours a week with at least one year's continuous service with an employer.

The imposition of the working time directive on Britain, albeit in watered down form, will serve to mark another small step towards British convergence with continental traditions.

Unemployment benefit could suffer deep cuts if plans now under serious consideration by ministers as one of a series of measures to reduce public spending are included in next week's Budget, David Owen writes.

This emerged yesterday as the leak of a document outlining the scope of the government's long-term social security review set the scene for a prolonged and bitter row over the future of the welfare state.

One option being examined is to halve the time for which the 715,000 unemployment benefit claimants were eligible for the £44.65 a week benefit from a year to six months.

If plans to halve the benefit period go through, the jobless would have to rely on income support, which is pegged at £44 a week for a single adult but which is means-tested to exclude those with savings of more than £8,000.

Policemen yesterday in St James's Park, London, which has not seen snow in November since 1969

Fax service for weather forecasting

Ice and snow across the UK this week prompted the Meteorological Office to rush forward the launch of a new way to deliver weather forecasts – by fax, Clive Cookson writes.

From today the Met Office introduces Weathercall Fax, enabling fax users to dial up instant copies of the latest charts, graphics and written forecasts. There are estimated to be 1.25m fax machines in the UK.

The Met Office has developed the service with Telephone Information Services, a private London company.

Callers can select 24-hour and five-day forecasts, covering any of 27 local areas, seven regions or the whole country. They can even choose to receive the latest satellite pictures taken from 36,000km up in space – though these take six minutes to come through.

Eurotunnel rejects accident delay

Financial Times Reporters

Fears that the start of services through the Channel Tunnel might be delayed by an accident involving an overhead electrical power line were groundless, Eurotunnel, the operating company, insisted yesterday.

The incident is reported to have happened on November 13, when 25,000 volts were sent down the main power cable and hit an abandoned metal bar which then caused an explosion.

A Health and Safety Executive official said the incident was immediately reported and was being investigated. Agency investigators had visited the scene and would return this week.

The HSE said the incident happened during testing of the system which took electric power to overhead catenary which carried overhead cables through the tunnel.

"The tunnel was cleared of work personnel. The power system was tested, there was an overload, a flash and some smoke. The system was brought to a halt. The test procedure worked inasmuch as it showed up a fault," said the HSE spokesman.

TML, the contractor, said the incident happened 7km from the UK end of the tunnel, where it is still under land, while a series of tests were taking place.

About 375 metres of overhead cabling was affected. The area had been cleared, as part of standard safety procedures, and no-one was hurt.

Only the catenary electrical system was damaged and repairs were scheduled to be completed tomorrow.

The cost of repairs was not yet known but would not be high.

Eurotunnel pointed out the cost would be borne by TML. Mr John Noulton, Eurotunnel's director for public affairs, said that some reports of the incident had been grossly exaggerated.

Damage had been restricted to a feeder cable and "it appears at this point that just one insulator failed," he said.

Britain in brief

City share system to cost '£30m-£40m'

The new share settlement system proposed for the City will cost about half as much as the Stock Exchange's failed Taurus project – according to details to be unveiled later this week.

However, because the proposed Crest system will not be nearly as sophisticated as Taurus, individual companies are likely to have to spend more developing their own computer link-up systems.

Specifications from the Crest advisory committee, which is sponsored by the Bank of England, will carry an estimated price tag for building the central system of £30m to £40m compared with the estimated £75m for Taurus.

ITV braced for liberalisation

The government is expected to announce this week details of a significant degree of liberalisation of ownership rules governing ITV companies.

All the signs are that the most restrictive forms of change, allowing only one or two companies to change hands have been rejected.

At the moment the nine largest ITV companies are unable to take each other over under the regulations in the 1990 Broadcasting Act. A liberalisation that would allow one company to hold two large licences plus one of the smallest six ITV licences would enable a considerable degree of consolidation to take place in the ITV system.

Pressure for 'green' farming

UK farmers are being paid £45.39 per hectare to leave land lying fallow but only £2.31 per hectare to manage their land in an environmentally sensitive way, according to figures published today by three environmental groups.

The lobbyists are calling on the government to introduce "green" reforms to so-called EU set-aside schemes which pay farmers to take land out of production.

Societies 'may broaden funds'

The UK Building Societies Commissioner has raised the prospect that powers in the de-regulation bill now before parliament could be used to allow societies to raise more of their funds on the wholesale money markets, enabling them to be more competitive.

Mrs Rosalind Gilmore said there was "no huge magic" about the present limit of 40 per cent of funds which societies can raise on the wholesale markets, set by the Building Societies Act 1986.

Below this overall ceiling, each society has a different limit. The average is about 30 per cent.

Retailer vows to compete

Mr Stanley Kalms, chairman of Dixons, Britain's leading high-street electrical retailer, last night said he would compete "ruthlessly" with new US-style warehouse clubs which undercut goods in his shops.

But he denied telling suppliers that they would have to decide whether they would sell to Dixons or warehouse clubs such as Costco – the first of which opens soon in Essex – offering cut-price shopping to members.

Few companies buy machinery

Fewer than 15 per cent of British companies increased investment in machinery and plant this year in spite of the temporary introduction in late 1992 of 40 per cent, first-year capital allowances, according to a survey.

The results of the Lombard business investment survey, carried out for Lombard North Central, the leasing and hire purchase subsidiary of National Westminster Bank, come a week before the Budget which industry hopes will contain further measures to boost industrial investment.

COMPANY NEWS: This Week

UK COMPANIES

■ **TODAY**

COMPANY MEETINGS:
Murray Ventures, 7 West Nile Street, Glasgow, 12.15

BOARD MEETINGS:
Finals:
Cosalt
Creston
Diploma
Foreign & Col. Emer. Inv.
Rodime
Shani
Interims:
Allen
Allied Lyons
Amber Indl.
Applied Holographics
Babcock Intl.
Bakyrchik Gold
British Assets Tst.
Cropper (James)
EMAP
Hewetson
Kenwood Appliances
Shires Inv.
Sth. Staffs. Water
Worthington Group

■ **TOMORROW**

COMPANY MEETINGS:
Baillie Gifford Japan Trust, 1 Rutland Court, Edinburgh, 12.30
Smiths Industries, 765 Finchley Road, Childs Hill, N.W. 12.00
Trace Computers, 224-232 St. John Street, E.C. 2.30

BOARD MEETINGS:
Finals:
Anglo Irish Bank
Capital Radio
Stratagem
Unigroup
Interims:
Caledonia Inv.
Falcon
Marston, Thompson & Evershed
NSM
Northern Foods
Osborne & Little
Readicut
Tex Hldgs.
Thorn EMI
Vodafone

■ **WEDNESDAY NOVEMBER 24**

COMPANY MEETINGS:
Enterprise Computer Hldgs., 4 Broadgate E.C. 3.00
Exmoor Dual Inv. Tst., 39 Victoria Street, S.W. 12.00
Merivale Moore, The *Grosvenor House Hotel, 86* **Park Lane, W. 12.00**

BOARD MEETINGS:
Finals:
Concentric
Dunedin Worldwide
Kwik Save
Leveraged Opportunity
Quadramatic
Tomkinsons
Yeoman Inv.
Interims:
ABI Leisure
Alba
BPB Inds.
City of London PR
Foster (J)
Lowndes Lambert
ML Hldgs.
Optometrics
Platignum
Powergen
Wagon Indl.
Warnford Invs.

■ **THURSDAY NOVEMBER 25**

COMPANY MEETINGS:
Green (Ernest) & Partners *Hldgs., 36 St. Andrews' Hill,* **E.C. 12.00**
Hong Kong Inv. Tst., Knightsbridge House, 197 Knightsbridge S.W. 11.00
Maunders (John) Grp., Holiday *Inn Crown Plaza, Manchester,* **12.00**

BOARD MEETINGS:
Finals:
China Inv. & Dev. Fd.
McLeod Russel
Morland
Interims:
AAH
Chloride
GEI
Hazlewood Foods
Multitone Elects.
Macdonald Martin Distillers
Multitone Elects.
Policy Portfolio
Powell Duffryn
Scottish Power
Shanks & McEwan
South West Water
Wah Kwong Shipping

■ **FRIDAY NOVEMBER 26**

COMPANY MEETINGS:
Honeysuckle Grp., 11 Regent Street, Leeds, 12.00
Lloyds Chemists, Red Lion **Hotel, Long Street, Athstone, Warwicks, 10.30**
Manchester United, Armitage Centre, University of Manchester, 11.00
Pict Petroleum, The Howard Hotel, 32-36 Great King's Street, 12.00
Pochin, Brooks Lane, Middlewich, Cheshire, 12.00
Tay Homes, Queen's Hotel, City Square, Leeds, 2.30

BOARD MEETINGS:
Finals:
Clyde Blowers
Perpetual
Scottish Inv. Tst.
Interims:
Dart
Drayton Blue Chip
NEC
OMI Intl.
Vistec

Company meetings are annual general meetings unless otherwise stated.

Please note: Reports and accounts are not normally available until approximately six weeks after the board meeting to approve the preliminary results.

DIVIDEND & INTEREST PAYMENTS

■ **TODAY**
Brent Intl. 1.6p
Doeflex 1.6p
European Inv. Bk. 10¾% 2004 £259.375
Republic of Finland 7¾% Bds '97 DM77.50
Japan Devl. Bk. 9¼% Nts '97 $462.50
Konica 7.8% '97 Y780,000
Nationwide Bldg. Soc. 13.5% Sub. Nts. 2000 £1,350
Nippon Yusen K.K. 7¼% Nts '95 Y750,000
Powergen $0.758
Renishaw 4p
Ryan Hotels IR0.5p
Sea Containers Class A $0.1925
Do. Class B $0.175
Sherwood Group 1p
Suter 3.4p
Toyobo Fltg. Tare Nts. '99 Y86,493
TSB Offshore Invs. 0.95p
Do. Far Eastern 0.45p
Do. Fixed Interest 1.17p
Do. Intl. Bond 3.11p
Do. Intl Equity 0.7p
Do. Sterling Deposit 1.29p
Do. OK Equity 1.53p
U.K 10¼% Conv. £5.125
Do. 2½% IL Treas. Conv. £2.1273
Do. 14% Treas. £7
Yokohama 8% Gtd Bds '01 $400

■ **TOMORROW**
European Smaller Co's 1.55p
Everest Foods 2.5p
Gent (S.R.) 1.35p
Hammerson Prop. Invs. & Dev. 3.5p
Do. A Ord. 3.5p
LASMO 1.3p
Sunderland (Borough of) 11¾% '08 £5.875
Trinidad & Tobago 12¼% Ln.'09 £6.125
U.K 13¾% Treas. Ln.'93 £6.875

■ **WEDNESDAY NOVEMBER 24**
Allied Irish Bks. Undated Var. Rate $115
Bradford & Bingley Bldg. Soc. Sub. FRN '05 £164.47
Brit. Aerospace 10¾% Bds '14 £1,075
Broken Hill Prop. A$0.21
Christiania Bank Senior FRN '95 $536.67
Eaton Corp $0.30
Intl. Food Machinery 1.4p
Leed Permanent Bldg. Soc. FRN £150.60
Mitsubishi Trust Fin. $1,955
Nationwide Bldg. Soc. FRN '95 $86.89
Northern Rock Bldg. Soc. FRN' 94 £152.81
Royal Bank of Canada C$0.29
Horace Small Apparel 1p
Watts, Blake, Bearne 3.5p
Wells Fargo Fltg. Rate Sub. '97 $134.17

■ ***THURSDAY* NOVEMBER 25**
Aluminum Co of America $0.40
Bradford & Bingley Bldg. Soc. FRN '96 £151.86
Claremont Garments 3.6p
Domestic & General 15p
Erith 0.35p
Gencor R0.29
Grampian Hldgs 1.7p
Ocean Wilsons Hldgs. 1p
Proudfoot 2p
Prudential Corp. 4.5p
Prudential Money Fds. Partg. Red. Pref. Man. U.S.Dollar $0.1727
Do. Partg. Red. Pref. Man. Stlg. 2.57p
Do. Partg. Red. Pref. Man. Stlg. Dep. 2.12p
Do. Partg. Red. Pref. U.S. Dollar Dep. $0.0679
Do. Partg. Red. Pref. Yen Dep. Y25.502
Redland 8.25p

■ **FRIDAY NOVEMBER 26**
Adwest 5.2p
Amstrad 0.3p
APV 2p
Barclays Bk. 12¼% Sen. Sub. Bds.'97 £127.50
Bardon Group 0.8p
Brit. & American Film 4.275p
Brit. Empire Secs. & Gen. 8.125% Deb. '23 £2.0034
Brit. Polythene Inds. 3.75p
Brooks Service 0.5p
BTR 4.95p
Cadbury Schweppes 3.6p
Cons. Plantations M$0.10
CSFB Fin. Gtd. Sub. FRN '03 $30.03
Delyn Group 0.5p
Fine Decor 1p
Forte 8¾% Bds 1997 2.75p
Do. 6¾% Sub. Conv. Bds '08 33.75
Galliford 0.5p
Gartmore Scotland Invs. Tst. 0.9p
Do. Package Units. £7
Great Universal Stores 30.25p
Do. A Non Vtg 30.25p
Great Western Financial $0.23
Haggas (John) 2p
HSBC Hldgs 7p
Instem 1.3p
Irish Life IR3p
Jackson Group 0.5p
Lloyds Eurofin. Gtd Fltg. Rate *Nts. '96 £75.62*
Mitsubishi Bank Fltg. Rate *Sub. Ln. Part. Cts. 2000 $894.44*
Murray Intl. Tst. 2.7p
New Zealand FRN '97 £74.83
Pantheon Intl. Parts. 0.5p
Raine 1p
Standard Chart. Sub. FRN '96 £75.30
Tokai Fin. (Curacao) Und. Fltg. Rate Sub. Gtd. Nts. Y1,249,041
T&S Stores 2.5p
Woolwich Bldg. Soc. Fltg. Rate Ln. Notes. '95 £151.23

CROSS BORDER M&A DEALS

BIDDER/INVESTOR	TARGET	SECTOR	VALUE	COMMENT
Alusuisse Lonza (Switzerland)	Lawson Mardon (Canada)	Packaging	£280m	Cragnotti selling control
Bowthorpe (UK)	Lear Siegler Measurement Controls (US)	Monitoring instruments	£14m	Expanding environmental arm
Capital Cities/ABC (US)	Scandinavia Broadcasting (Luxembourg)	Broadcasting	£27m	Stake to boost Europe ops
Computer Sciences Corp (US)	*Unit of British (UK)*	*Data processing*	*£75m*	*Outsourcing's popularity grows*
Guardian Royal Insurance (UK)	American Ambassador Insurance (US)	Insurance	£65m	GRE's biggest buy in years
Illingworth Morris (UK)	Bolshevichka (Russia)	Clothing	£3.6m	Strategic 49% stake
Interprovincial Pipeline System (Canada)	Consumers Gas (Canada)	Gas	£612m	British Gas to sell
Siemens (Germany)	Teleco Cavi (Italy)	Cables	£42m	Agreed bid for control
South African Breweries (S Africa)	Kobanyai Sorgyar (Hungary)	Brewing	£34m	More investment ahead
Transamerica (US)	Unit of Tiphook (UK)	Container leasing	£830m	Proposed sale to cut debt

Forthcoming Surveys in the FT

■ **Wednesday November 24**
Basque Country: Recession takes its toll on the region's heavy industrial base

■ **Thursday November 25**
Belgium Banking and Finance: The struggle to survive and prosper in a wider market
Turkish Finance and Industry: Preparing for the 1995 customs union with the EC

■ **Friday November 26**
Gloucestershire: Growth in financial services as defence sector retrenches

■ **Monday November 29**
Denmark: Economy holds key to next year's election
Software at Work: The joys of homework

Baron Edmond de Rothschild
President of the Board of Supervision of
La Compagnie Financière Edmond et Benjamin de Rothschild

Sir Evelyn de Rothschild
Chairman of N M Rothschild & Sons Limited

Baron David de Rothschild
Managing Partner of Rothschild et Compagnie Banque

have recently become aware of attempts to obtain funds for investment in Eastern Europe using the Rothschild name. The promoters have nothing whatsoever to do with our Family, nor with His Excellency Prince Rainier of Monaco, as alleged in their promotional material.

We would like to make it absolutely clear that the so-called Rothschild Bank located in Anguilla (British Antilles) and Rothschild Fund (with residence in the Virgin Islands) are in no way associated with our Family or companies of which we are directors, owners or managers.

The regulatory authorities in France, as well as those in a number of other jurisdictions, have been advised, as have the police forces in relevant jurisdictions. The Rothschild Family will, in addition, take whatever measures are appropriate against the promoters of this attempted fraud.

CONFERENCES & EXHIBITIONS

NOVEMBER 23
Europe In Focus: Planning for Business Success in an Unsettled Continent
A Henley Centre Conference
This conference is designed to help companies address central organisational and marketing issues in a troubled, post-Maastricht Europe. A Henley Centre guide to strategy-optimisation.
Tel: 071 353 9961 (Siamack Salari)
LONDON

NOVEMBER 24
THE NEW NORTH EAST - THE WINNING LOCATION FOR BUSINESS
Queen Elizabeth II Conference Centre, London
An afternoon presentation outlining the current developments and opportunities available in the North East of England. Speakers include Sir George Young, Minister for Housing, and Chris Geir, British Airways.
Contact Tyne and Wear Development Corporation on 0727 845376
LONDON

NOV 29 - DEC 1
Venture Forum Europe '93
This forum, arranged jointly by the Financial Times and Venture Economics, will provide an opportunity to meet those involved in raising capital, negotiating deals and building the businesses of the future.
Enquiries: Financial Times
Tel: 071-814 9770
Fax: 071-873 3975/3969
LONDON

NOV 30 - DEC 1
European TV Sports & TV Sponsorship
In-depth conference on broadcast and pay-TV sports *finance and marketing*, and program sponsorship and regulation. A must for rights-holders, broadcasters, sponsors and *sponsorship agencies*, program distributors.
Contact: Pat Baynton,
Kagan World Media Ltd.
Tel: +44 71 371 8880
Fax: +44 71 371 8715
LONDON

NOVEMBER 30
The New Law on *Commercial* Agents
New EC regulations on Commercial Agents come into effect in the UK on 1 January 1994. These will have a major affect on principals and their agents. The London Chamber is holding a briefing on these changes on 30 November. Cost: £40 + VAT. Contact: Beth Rayney.
Tel: 071 489 1992.
LONDON

DECEMBER 1
YOUTH CREDITS
CBI/BTEC conference provides a practical look at the progress of the youth credit *pilots with* contributions from employers and training providers.
Contact: Sandra Aldred, CBI Conferences
Tel: 071 379 7400 Fax: 071 497 3646
LONDON

DECEMBER 6 & 7
Emerging Structures in Energy Industries
Convened by the RIIA, The British Institute of Energy Economics and the International Assoc for Energy Economics. *Sponsored by Coopers & Lybrand, Texaco, and the International Petroleum Exchange. Held at* Chatham House. Enquiries: RIIA Conferences, The Royal Institute of International Affairs, Chatham House, 10 St James's Square, SW1Y 4LE.
Tel: 071 957 5700. Fax: 071 957 5710
LONDON

DECEMBER 6 & 9
Product Liability Seminar
Protect your company/client from litigation in the USA. One day seminars on Product Liability by leading US Attorney plus a representative from the Institute of Safety Analysis.
For further details phone Linda Nash on:
Tel: 071 323 2722
LONDON/MANCHESTER

DECEMBER 7
China - Capital Projects
CBI/CBTG conference, sponsored by Coudert Brothers, considers the opportunities *and ways to penetrate* China's growing capital projects sectors.
Contact: Nicola Martin, CBI Conferences
Tel: 071 379 7400 Fax: 071 497 3646
LONDON

DECEMBER 7
Money Markets Conference
Essential for Treasurers, *Dealing Managers* and those with an interest in the money markets. Topics include liquidity management, maximising money market returns, performance measurement and bank set offs. Eight top speakers. Places limited. Book now. Contact: Dawn Huggins, The Association of Corporate *Treasurers* Tel: 071 353 2443
LONDON

DECEMBER 7
TEC's and LEC's
One day CBI/BTEC conference reviews the strategic issues facing TEC's and LEC's contained in the CBI 'Making *Labour Markets Work'* report.
Contact: Georgina Kingsby,
CBI Conferences
Tel: 071 379 7400 Fax: 071 497 3646
LONDON

DECEMBER 7 & 8
***Second City of London* Central Banking Conference**
Chris Stals, Jan Plenderleith, Phillipe Moutot, Manuel Guitian, Rei Masunaga, Robert Guy and Rachel Lomax contribute to this the second Cityforum and Central Banking conference supported by the *World Gold Council.*
Information from: Marc Lee
Tel: 0225-466744 Fax: 0225-442903
LONDON

DECEMBER 8
Survivel Office Recovery Conference
Focusing on recovering departmental systems running on PCs and LANs. Learn how to create a business survival plan to cover the needs of the total office environment in case of disaster. For more *details about the conference and Survivel,* the disaster recovery group.
Contact: Angela Bunt
Tel: 081-871 2546 Fax: 081-871 3866
LONDON

DECEMBER 9
Know Your Performance Essentials of Benchmarking
A practical one day seminar/workshop from the UK's No 1 specialists. Practical case exercises, successful case studies.
Contact Patricia Donnard,
EMP Intelligence Service,
Tel: 071-487 5665 Fax: 071-935 1640
LONDON

DECEMBER 9
The UK Economic Recovery
Key drivers for business planning in the mid 1990s
The Henley Centre's annual economic conference follows hard on the heels of the budget, giving delegates the opportunity to hear the Centre's assessment of short and medium-term *prospects for the UK Economy.* Cost £325 + VATContact: Anna Harman Tel. 071 353 9961
LONDON

DECEMBER 13
Involving Employees in Pension Schemes
CBI/Sedgwick Noble Lowndes conference provides case study examples of good practice with experts in employee communications and pensions policy.
Contact: Georgina Kingsby, CBI Conferences
Tel: 071 379 7400 Fax: 071 497 3646
LONDON

JANUARY 24-26 1994
Business Process *Re-engineering Seminars*
Continuing series of monthly seminars for executives and managers charged with designing and implementing BPR initiatives. Presented by a leading US practitioner, *we offer a practical 'how-to-do-it'* perspective in an intensive *residential setting.*
Contact: Richard Parris, Vertical Systems Intercede Ltd. Tel:+44-455-250266
Fax:+44-455-890821
MIDLANDS

JANUARY 28-30 1994
What Makes Consultancy Work? understanding the dynamics
Workshops and lectures by top US & UK Change Management practitioners and academics to help consultants and clients maximise outcomes from change programmes. Topics cover building the contract; working in the organisation; impact of consultancy on the organisation; reviewing consultancy intervention.
Contact Antoinette Dixon
Tel: 071 815 6908
LONDON

JANUARY 31 - FEBRUARY 2 1994
The London Virtual Reality Expo 94
Electronic Books International 94 - 15-17 *March 1994. Venue: Novotel, London.*
Contact: Meckler Ltd. Artillery House, Artillery Row, London SW1P 1RT
Tel: 071 976 0405 Fax: 071 976 0506
LONDON

FEBRUARY 14 1994
***Profiting from your Property* Portfolio -**
Maximising the use of your empty properties.
Will discuss: maximising your property income, avoiding empty property rates, attracting foreign investment, terminating a lease; re-negotiating with existing tenants, tax options, planning applications.
Contact: Kate Metcalf, IBC Legal Studies
Tel: 071 637 4383 Fax: 071 631 3214
LONDON

MARCH 7, 8, 9 1994
Devising a Regional Transport Strategy
A conference looking at a South East *Transport Strategy in a national context.* Promoted by SERPLAN, speakers incl Rt. Hon John MacGregor OBE MP, David Curry MP. Issues incl land use, investment criteria, private finance, road charging, congestion, demand management, regulatory control, DRIVE, green issues & London's transport needs. Contact:
Iain Dale, The Waterfront Partnership
Tel: 071 730 0430 Fax: 071 730 0460
LONDON

INTERNATIONAL

DECEMBER 1 & 2
Doing Business with Spain
The monetary, budget and labour policies of the new Government will be examined as well as important questions on Europe's future and the conditions for monetary and political union.
Enquiries: Financial Times
Tel: 071-814 9770
Fax: 071-873 3975/3969
MADRID

DECEMBER 8 & JAN 18
Profiting from Alliances
Unique executive seminars in San Francisco in which global business *opportunities and alliances such as* Profiting from NAFTA Alliances and investing in the Global Megamarket are key topics with global managers. $400 8 am to 1 pm
Contact: Marcar Management Seminars tel: 415-637-7711 or fax 415-637-7722
SAN FRANCISCO

DECEMBER 6-7
1st Euro-Turkish Financial Services Conference
"Growth Strategies for Buoyant Markets" Programme includes: Financial Product Innovation; "Europeanisation" trends; Delivery Systems; Market Segmentation; Corporate Banking; Successful Marketing Strategies. Speakers: International and local experts. Contact: Elaine Fitzsimons, Lafferty Conferences.
Tel (+353-1) 671 8022 Fax (+353-1) 671 3594
ISTANBUL

This advertisement has been *reprinted from 19.11.93* as some of the type may have been illegible.

Republic of Austria

US$350,000,000
Floating rate notes 1997

Notice is hereby given that the notes will bear interest at 3.4375% per annum from 19 November 1993 to 22 February 1994. Interest payble on 22 February 1994 will amount to US$9 07 per US$1,000 note, US$90.71 per US$10,000 note and US$907.12 per US$100,000 note.

Agent: Morgan Guaranty Trust Company

JPMorgan

CONTRACTS & TENDERS

TENDER
FOR COAL & PETROKOK

A TURKISH CEMENT HOLDING COMPANY IS TENDERING FOR ITS YEARLY REQUIREMENTS OF COAL AND PETROKOK

PETROKOK: 200'000 - TONS (YEARLY)

COAL : 150'000 - TONS (YEARLY)

FOR MORE INFORMATION
PLEASE CONTACT
RUMELI CEMENT, ISTANBUL, TURKIYE
AT TEL: 90-212-267 42 02/90 - 212-286 08 19
AT FAX: 90-212-288 69 21

ATTENTION : MR. ANTONIO LUNA
ATTENTION : MR HASAN PILAV

American strike brings chaos to US airports

The strike by flight attendants at American Airlines enters its second week today with unions and management no nearer agreement, and thousands of flights still delayed or cancelled because of the industrial action, writes **Patrick Harverson** in New York.

Yesterday American, the largest US carrier, said that nearly half of its scheduled flights were leaving with passengers. It also said the situation was improving each day, and that a growing number of striking attendants were returning to work. The union, however, claimed the majority of American flights were leaving with no passengers, and that over 90 per cent of its members were still on strike.

The strike, which is due to continue through to the end of this week, has caused chaos at airports across the US, stranding thousands of domestic and international passengers. Competing airlines, including Continental, Delta and Northwest, have scheduled additional domestic flights and said they would honour any valid American ticket presented by passengers with prior endorsement by American. On international flights, British Airways and Virgin have said they would honour tickets with an endorsement by American.

WHERE IN THE WORLD TRAVEL COULD BE TROUBLE

POLAND: Flights between London and Warsaw are still heavily disrupted by the dispute between the British and Polish governments over landing rights. British Airways has been banned from flying to Warsaw, while Polish Airlines has been denied access to Heathrow. BA is flying passengers to Frankfurt and then bussing them to Warsaw.

SPAIN: A national strike planned for Thursday could severly disrupt travel.

BELGIUM: On Friday Belgian unions are threating a national strike in protest at the government's austerity plan.

FRANCE: Public sector unions plan further strikes against privatisation plans.

NIGERIA: The situation is very tense following the announcement of a military government, the dissolution of all democratic institutions and the banning of all political parties. Non-essential visits should be postponed. An indefinite national strike is disrupting business and services, internal travel and international flights. Industrial action might escalate to rioting, especially in the south west. Residents should exercise caution.

There is a high incidence of street crime and armed robberies, especially in Lagos and the southern states. Travelling outside cities after dark is unsafe.

Fraud is commonplace. Business people should check credentials of Nigerian contacts thoroughly. Those in doubt should consult the Department of Trade and Industry (Nigerian Desk, tel: 071-215-4966).

MEXICO: Robbery in Mexico City and other major urban areas is commonplace. There is particular risk on the metro (underground) and around bus stations. Only official airport taxis should be used. Take special care when using taxis late at night.

Because of incidents of robbery, visitors are advised that excepting travel on first class buses on the "Cuota" highways, it is unsafe to travel on roads outside major cities at night, and on the following roads at any time:

- coast road between Acapulco and Puerto Escondido
- Highway 37 from Uruapan to Playa Azul (Particularly in the State of Guerrero)
- Highway 51 from Zitacuaro to Huetamo in Michoacan
- roads in the Yucatan Peninsula, especially Route 180 from Merida to Campeche and Route 186 from Chetumal to Villahermosa. Avoid isolated beaches (Particularly around Puerto Escondido).

GUINEA: Tension remains high in the run-up to December 5 presidential elections. No reports of violence in or around Conakry since disturbances in October, but visitors are advised to proceed with caution.

Additional information from Travel Advice Unit, Consular Department, Foreign and Commonwealth Office, Clive House, Petty France, London SW1H 9HD. Tel: 071-270-4129.

Likely weather in the leading business centres

	Tokyo	Hong Kong	London	Frankfurt	New York	Los Angeles	Milan	Paris	Zurich
Monday	12	24	0	-1	14	11	2	-2	-6
Tuesday	10	21	0	0	14	11	4	-3	-2
Wednesday	10	23	1	2	13	11	5	2	0
Thursday	17	26	5	2	6	11	5	2	-1
Friday	18	25	7	-1	7	11	4	2	-4

Maximum temperatures in celsius

Information supplied by Meteo Consult of the Netherlands

How to win from the winter war

Daniel Green looks at special deals aimed at wooing customers

Airlines desperate for business passengers to fill their aircraft in the slack winter season are vying with each other to offer the most attractive deals.

Across Europe, airlines are wooing their most lucrative clients, the business executives, with special offers. German and UK residents, especially, are on the receiving end of the best prizes, ranging from price cuts to free flights and overnight stays in luxury hotels.

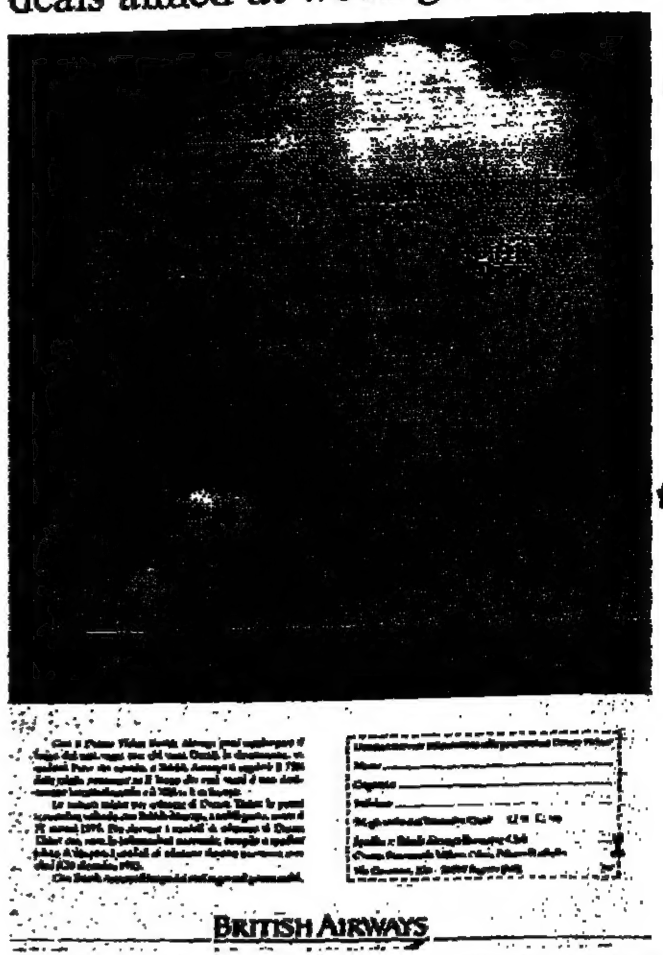
The airlines' main weapon is the "frequent flyer" programme. When taking flights, members of programmes earn points which can be redeemed for items such as free tickets or upgrades to business class.

Anyone can join an airline's frequent-flyer programme and there is no reason why someone should not join several. In the UK, British Airways' "Dream Ticket" promotion has the highest profile. But behind the hype this is simply a promise to double the number of points collected for a flight taken before the end of March. This means that one business-class return to New York would earn enough points for an economy return to Athens. In the summer, it would have taken two such flights. As always with UK residents flying with BA, the deal only applies for first, business and full-fare economy tickets.

Many business travellers buy discounted tickets: in this case, US carriers such as American Airlines and United Airlines offer a better deal. Their double-points offer, for UK residents only, applies for virtually any fare available. On short-haul flights, British Midland also gives awards to buyers of economy-class tickets.

For those living in Germany, this will seem tame stuff. BA and American Airlines will triple the points earned by German residents over the next few months. Cathay Pacific, the Hong Kong-based carrier, is offering enough points with one business-class return to the Far East between now and the end of December for a free business-class ticket within Europe on Austrian Airlines or Swissair.

The desperation to attract German passengers may be because of the depth of the country's recession. Mr Colin Rainbow, commercial director of Paris-based travel agency Wagon-Lits, says that for the first time airlines are selling seats at less than published prices in Germany.



In any language the message is the same – good deals can be had

Danish residents, too, can find discounted tickets: business-class fares on Scandinavian Airline System on some short-haul routes have been cut by 30 per cent. SAS is also offering business-class passengers starting from the UK a free overnight stay in a Scandinavian hotel, provided the trip is made before the end of March. Alitalia has a similar scheme for flights from Italy to London before December 31. Business-class passengers get a free night in a London hotel.

This is only a selection of the deals on offer. And the tide of special deals is unlikely to ebb until spring. There is still a recession in the airline industry and over-capacity is widespread. That combination in recent years has meant fringe benefits and cost savings improve through the season.

If – like a quarter of Europe's business air travellers according to a recent survey – your choice of carrier is determined by awards of frequent-flyer points, winter is a chance to push up your total quickly.

Opera conductors, oui bus conductors, non

Michael Skapinker tests the new airport bus in Paris

Charles de Gaulle airport in Paris has its own way of adding to the disorientation of a traveller arriving in an unfamiliar city.

Getting to the city centre by rail involves a ride first on an airport bus to the nearby RER suburban railway station. Then follows a battle to figure out how the RER connects with the Metro underground system, for French railway maps lack the clean-lined simplicity of their UK counterparts.

Hence the attraction of the new Roissy Bus service from the airport to the Paris Opera in the centre of the city.

The advantage of this service, which leaves the airport every 15 minutes, is that you use only one mode of transport. At FFr30 each way, it also costs less than taking a taxi.

However, the experience of a recent one-day trip to Paris from London suggests that the bus is best avoided. The vagaries of the city's traffic make the service too unreliable for anyone with appointments to keep and flights to catch.

My journey from Charles de Gaulle began at 11.35am. Despite repeated warnings of imminent traffic snarl-ups on lighted signs above the motorway, the bus kept moving. The only incident was a near collision with a car – shrugged off by both parties without any swearing or hooting. We arrived at the Opera at 12.18 pm – total journey time 43 minutes.

The relatively painless ride resulted in a decision to take the bus back to the airport, leaving the Opera at 6pm. With a British Airways flight back to London at 7.30pm, it was cutting it a little fine, but I assumed there would be less traffic on the way back than there had been at mid-day on my way in.

This was a mistake. The traffic leaving the city was so heavy that I finally arrived at the airport at 7.15pm – tight for time and only just able to get on to the flight.

So it will be back to the railway in future. The same journey by RER and Metro costs FFr39.50 and should take about 40 minutes.

Understanding that system may requires a little concentration but it has the advantage of being reliable – provided no industrial action is taking place.

JOGGERS' GUIDE: New York

In park with Madonna

For most business travellers to New York, fighting the locals for pavement space is the only exercise they ever get.

In such a crowded, noisy place, who could imagine jogging, or even taking a leisurely walk? However, New York offers jogging and walking routes with ample breathing space.

When they want the solitude of woods and water, New York runners head for Central Park, the leafy, 843-acre urban sanctuary opened in 1876. The park's department says it has the city's lowest crime rate. But it recommends runners avoid the park at night and run with a partner if possible.

One of the most popular routes in the park is a 1.6-mile gravel track around the Reservoir, the largest body of water in Manhattan. The access point is at 90th St. and Fifth Ave. The reservoir offers mallard on the water and occasional appearances by such celebrity exercisers as Jacqueline Kennedy Onassis and Madonna.

For a longer course, there is Central Park's auto loop – six miles of hard-surface road closed to traffic on weekends. The auto loop bypasses great expanses of woods and lawns, including one near West 72nd St called Strawberry Fields, which is dedicated to the memory of John Lennon.

A run in Central Park takes you past many Victorian-era architectural gems. One is Belvedere Castle, built in 1872 of the same stone that is found thrusting dramatically out of much of the parks' landscape. With Norman, Gothic and Moorish features, it overlooks the Great Lawn's softball fields. Other popular access points to Central Park are at its south-east entry (Fifth Ave and 60th St) and south-west corner (Columbus circle).

In the thick of Broadway traffic, it might be hard to remember that New York is an island. But a refreshing jog along some of the city's waterfront promenades will quickly set you straight. Skirting the Hudson River, the one-and-a-half-mile-long Battery Park City Esplanade begins at the downtown intersections of Chambers and West Streets.

It continues south almost to Battery Park and the tip of lower Manhattan. The route takes you past the World Financial Center and the North Cove Yacht Harbor. The Hudson kicks up stiff breezes. These are cooling in summer but blood-chilling in winter.

On the east side of Manhattan, the East River Esplanade offers a three-mile course, from 63rd St, north to 125th St. On the left, cars whiz by on the FDR Drive. But there are more tranquil sights, such as Gracie Mansion in Carl Schurz Park. Built as a country manor house in 1779 by wealthy merchant Archibald Gracie, it is now the official home of the city's mayor.

Many New York hotels offer advice on the best running routes. The Ritz-Carlton, on Central Park South, distributes maps to its guests that detail three routes of varying length. The maps also list emergency telephone aid numbers.

For more information on running in New York, contact the New York Road Runners Club, at (212) 860-4455.

Don Munro

Jean-Louis Barsoux says the office party is a logical absurdity

Christmas crackers

Why does the Christmas office party generate so many funny stories, so much corporate jokelore? The answer is that it has privileged status. Directors and senior executives are so afraid of laying themselves open to the miserable tag "Scrooge", that they will put up with behaviour from employees that would warrant instant dismissal at any other time of year.

Often described as an occasion when *anything* goes, there are breaches of acceptable behaviour and deportment which would normally shake the very foundations of the organisation. The Christmas "do" provides an annual catharsis for the passions and paranoias that lie just below the surface of everyday office life. No corporate principle is left unturned.

- **Business logic:** companies are built on an ethos of thrift, logic and constraint. This is in marked contrast to the over-indulgence, recklessness and lack of control of the office party. *Seasonal* largesse is expected from the company – but such extravagance can *seem indulgent* in times of economic stringency. So clients and suppliers are rarely invited; to do so might simply re-enforce their contempt for the company.

There is also a reversal in the customary *respect for company* property. The office and its immaculate furniture is converted into something resembling a Marseilles dock-side dive. Party-goers push desks together, climb on them, dance on them. They spill drinks *and stub out cigarettes* on the carpets.

- ***Status considerations:*** *initially*, the status quo prevails. Senior figures may seem a little stand-offish until they are sufficiently tanked up to mingle. Easy access to the boss at first guarantees a large crowd, but executive awe evaporates proportionately as wine and inadmissible desires take hold. The acolytes drift away from the once-compelling centrifugal figure. A new hierarchy emerges, *built on charm and entertainment* value.

The group may then exercise collective pressure in getting the boss to don a paper hat and perhaps perform some embarrassing party piece. The boss will self-consciously oblige for fear of being labelled a party pooper – and may well overcompensate on the clowning in an attempt to establish street credibility.

Loss of dignity is but the first casualty of the evening.

- **Physical restraint:** normally demure people shout hoarsely over the blaring music; those usually so aware of their body boundaries are suddenly given to extravagant semaphore; physical uprightness turns into slouching, into sitting on floors, then into lurching, sprawling and fumbling. Rational behaviour gives way to drunken exhibitionism. *Colleagues*, who would never usually lay a finger on one another, *slap each others'* backs and hug one another shamelessly. This is no place for the sober or the dutiful.
- **Sexual decorum:** normal rules applying to office encounters are suspended as excuses for contact are proffered: loud music requires close proximity of conversationalists, dancing may ensue, the bright strip lights are extinguished and sprigs of mistletoe materialise.

The everyday *concentration of* people in typing pools, shop floors, and *open-plan offices is subverted* as individuals seek out the building's nooks and crannies; temporary elopers cavort in store cupboards or computer rooms and find novel uses for photocopiers.

- **Interpersonal harmony:** as the evening draws on, the enforced *bonhomie* may be interrupted by sporadic outbreaks of conflict. The seasoned campaigner vents his pent-up frustration at *being* passed over for promotion in favour of a young *high-flyer* with a *thinly* veiled joke, an insult, an emptied wine glass or even a scuffle.

Not only is this yearly debauchery alien to the day-to-day idea of acceptable behaviour at work, it is also in contrast with Christmas in the domestic setting. Spiritual aspects of the season give way to *one long round of grope*, gossip and gripe. Christmas in the workplace owes more to the pagan Viking fertility rites of Yuletide than to Christianity.

All this makes one wonder why companies persist in holding office parties. *They* are probably responsible for more distress and agonising, more resignations and *damaged* job prospects, than any other single event in the corporate calendar. They are psychological minefields, viewed by staff with a mixture of excitement and dread.

Yet the truth is that many people derive a morbid enjoyment from grotesque self-revelation and unwise acts, even those that end in squalor, violence or regret. Twelve months, it seems, is long enough for selective amnesia to set in and for everyone to take their chances, once again, on the rollercoaster of merriment and disaster.

The article is based on the author's recently published book Funny Business (Cassell: £25 hardback, £11.99 paperback)

Quality yardsticks

What criteria should be used for judging good, quality managers? It ought to be a routine question for organisers of the many *UK business award schemes*, but too often it is not properly addressed.

Tomorrow, however, management awards will be made at a lunch in London, based on the qualities which three separate audiences – main board directors of the top 500 UK companies, fund managers and City and business editors – consider important for generating sustainable growth.

The exercise was kicked off by *Sundridge Park*, a *corporate* development practice in the PA Consulting Group, which defined 18 criteria identified through close observation of well-managed organisations. These criteria were then put to a representative sample of the three groups, which were each asked to select their top five.

Significantly, strategic thinking came out ahead of the others in all *three surveys, with leadership* second in all three.

At that point the consensus cracked, fund managers and City editors emphasising the importance of external yardsticks such as investment planning and research and development, while the industrial leaders preferred people and team development. Innovation, however, was somewhere in everybody's top five.

Of those currently low on the list, Sundridge Park believes career management will move up the corporate agenda in the next few years. The onus in future, however, will rest more on the individual than the company, with the latter playing a mainly supportive role.

Tim Dickson

TIPS FROM THE TOP

What about the carpet colour?

Mick Newmarch, chief executive of the Prudential Corporation, offers advice on how to move head office

We could scarcely tell our customers their maturity cheques must wait until we found the crate containing the file

Having emerged only recently from a daunting array of storage crates, I am now free to assess the Prudential's recent move and to offer some advice for those *contemplating a similar* step.

The corporation left its ancestral home, 142 Holborn Bars, London, in 1988 in anticipation that the building would re-emerge, after restoration and modernisation, stripped of its more arcane features but retaining its Gothic fenestrated *charm and tradition*. Despite many false dawns, we have not been disappointed. We have returned and have been on the site for all of eight weeks.

A successful move is built upon a monument of planning activity. Equally true, as we have learnt, this monument must be *constructed like a piece of Lego*, so that as expectations change or deadlines shift it can be quickly reassembled in a different configuration.

Our planning process was based upon a top-level committee, myself *included*, which contemplated an enormous variety of seriously important decisions *ranging from* the colour of the carpet to the shape of the dining chairs and the location of the coffee machines.

The committee was served by a professional project manager *with the backing of a full-time* team. However mundane each *small* decision may appear, co-ordinating them is a task to rank with re-designing the space shuttle for complexity.

It quickly became apparent to us that a pint of Prudential employees in 1988 equalled a *substantial quart* in 1993 owing to the growth in the business. *I believe this is an inevitable* feature of any move: the space is never quite as intended nor the numbers quite as anticipated.

As a result, we took the opportunity to harness the talents and energies of our employees in adapting our working styles and developing ingenious *responses to the problems* presented by our new environment. Each area had its own move co-ordinator who added the seasoning of commercial realism required to the plans for their own space.

Clearly, a move on this scale risked dislocating our business *operations completely. We could* scarcely close down our investment operations for a day to move the furniture or tell our customers their maturity cheques must wait until we found the crate containing the file.

Hence the move was staggered over three weekends and handled *entirely by professional movers.* As a result, everything in sight was labelled, to the point where I wondered if I might be date-stamped and tied up with sticky tape for the duration. This was time-consuming, required *discipline*, but was extremely worthwhile.

We also took care to consider the sense of well-being of the staff, many of whom had never worked in the old building or in the "foreign" territory of Holborn. We provided maps and guides and a personal welcome pack tailored for each person. An army marches on its belly so we *provided free sandwiches to* maintain blood sugar levels.

For us, the most positive catalyst to a successful move was the prospect of a visit from the Queen to open the building, only two weeks after our arrival. This *galvanised the otherwise* jaded into bursts of vacuuming, tidying and urgent activity to control our errant fire alarms.

Finally, it is worth remembering that however detailed the plans, some elements will inevitably escape, just as some carefully chosen furniture will look uncomfortable in *its* new home and no one understands how the *waste* bins came to be that perplexing shape.

I am looking forward to the day when we at last locate the keys to the monstrous, but impressive safe in my office, to allow exploration of its contents, untouched *since 1988, or even* before. I feel, however, a genuine *sense of rejuvenation in our new* environment: the move for us has been a positive and co-operative opportunity. I encourage others to look on theirs in the same light.

Next Monday: Sir David Plastow of Inchcape on how to plan for board succession.

THE MONDAY People page

Kirkham bearded in his den

Lucy Kellaway talks to the sofa salesman whose company, DFS, floats this week

Graham Kirkham, an unknown sofa salesman from Yorkshire, has made nearly £300 million but is not satisfied. His fortune is larger than the reputed piles of the Forte and Weinstock families put together and three times as big as Charles Saatchi's. Yet his sights are pitched higher still.

"I've got this burning desire," he says. "I'm not happy to be a multi-millionaire. I hear this talk of billionaires ..."

On Wednesday his life's work, DFS Furniture Company, joins the stockmarket. That day Kirkham will be in his office in Doncaster at 7.30 am as usual having made £130m from the sale of half the company. The flurry of publicity over, it will be back to the hard graft of making still more money.

The scale of his ambition has left his advisers gasping. "Genuinely ambitious people are rare," one says. "Some end up as dictators. Some go into business. He is the most complete example of the latter type I have ever met."

Two months ago few people south of Watford had heard of Graham Kirkham. Peers in the furniture trade like Derek Hunt of MFI have never clapped eyes on him.

Out of nowhere this businessman has become the City's latest darling. The raging ambition is hidden under a bluff and modest manner; he comes across as the chubby, cheerful chappie. Analysts enthuse about his plain-speaking Yorkshire charm, his hard work, and the strength of his business.

Outsiders might wonder at their reaction. The City has seen many entrepreneurs come and go. Retailers in particular have a habit of making a fortune only to lose a large part of it, witness Gerald Ratner, Sir Terence Conran and George Davies.

Moreover, the DFS prospectus contains some eyebrow-raising details: Kirkham has withdrawn £13m from the company before flotation, of which £5.5m was paid in the form of works of art and antiques as a crafty piece of tax avoidance. The company's merchandise manager has several times been convicted for drunken driving; more recently he has been charged with driving when disqualified and refusing to be breathalysed. And finally, as Kirkham is raising no new money for the business, it has to be asked why he is taking the company public at all.

"I went along to the analysts' meeting very cynical expecting to hear all sorts of bullshit but was pleasantly surprised," says Katherine Wynne of Kleinwort Benson. Kirkham, she points out, is different from the giddy entrepreneurs of the 1980s. Many of them, John Ashworth at Coloroll for example, came and went in a matter of years but Kirkham has built up a business slowly over a quarter of a century.

Meeting this multi-multi-millionaire is a disarming experience. He talks directly, banter marred only by incessant assertions of his own high moral sense. "The one person I am accountable to is me. If I can satisfy myself I can satisfy everyone else," he says. According to his own ethical code there was nothing wrong with paying himself a tax-efficient fortune before the flotation – he sought and followed the best professional advice.

When it comes to the merchandise manager and his drinking habits, Kirkham asserts: "I care about people so much it hurts. We will support him as much as possible. I look at the work he's done for the company for the last 19 years. We employ human beings."

Kirkham was born in the little town of Edlington, the only son of a miner. He was a good boy: went to Sunday school, sang in the choir and learnt to be "humble but proper. I was taught not to tell lies, to stand up in buses and to say thank you".

He failed all his O levels, failed to get into the RAF, and suddenly decided to buckle down. He became a sofa salesman, at which he says he was only "run of the mill". Frustrated then at the lack of prospects, he set up his own company, without any capital, in a disused billiard hall, making sofas upstairs and selling them downstairs. Then 23, with a mortgage and two small children, he was quite unbothered by risk: "If people don't contemplate failure, that is a good reason for them to succeed."

He built up the business steadily, opening out-of-town furniture stores and reinvesting all profits. He believes in hard work; he never takes more than a week or two holiday a year, and neither does any of his top management.

His own optimism and drive are obvious; he prides himself on being able to make others feel the same way. "People who have the germ are set alight by my own enthusiasm," he says. His city advisers, whom Kirkham initially thought had never done a day's work in their lives, were shattered by the experience of floating the company. "It was tiring working with him. He has so much energy," says one.

Yet the explanation of how this energetic and ordinary bloke came to build a business worth £300m is elusive. Kirkham reckons there is no single secret to his success: "I always say our margins of 16 per cent are made up of 64 quarters of one per cent."

Among these 64 little bits is the fact that the boss understands every aspect of his business. He has also formed close and longstanding relationships with his suppliers, and has been clever with his marketing. When he opens a new store he sends a personalinvitation to well off potential customers offering them a discount. Viewers of Central and Yorkshire TV can hardly tune in without seeing one of his settees.

Whatever the reasons for his success, Kirkham may find he needs new skills as the boss of a public company. Suppliers speculate that his style will have to change under the beady eye of shareholders and non-executive directors. "Make no mistake this has been run as Kirkham's company. No one makes the decisions except him," says one.

Fewer changes are likely to his lifestyle as a result of his £130m cheque. He already has more money than he knows what to do with – he owns a Georgian mansion and has a serious art collection. He makes the astonishing claim that he has no plans for disposing of the new millions. "I've really not given it any thought," he says.

So if neither he nor his company needs the money, why should he voluntarily cramp his style just to list the shares? Kirkham argues that as his children do not want to go into the business, flotation "just seems appropriate". I remind him that Richard Branson and Alan Sugar regretted going public. He starts to say that Branson and Sugar are just two of hundreds of others. He stops and changes his tack. "Those two guys have got beards and I haven't."

■ PERSONAL FILE: Graham Kirkham

Born: December 14 1944 in Doncaster

Educated: Maltby Grammar School. Left after taking O levels

Career:

1961:	First job at Harvey's, furniture retailer in Doncaster
1969:	Set up Northern Upholstery
1973:	Started *producing* furniture on Carcroft Industrial Estate
1979:	Opened first of The Dining Centres, selling dining furniture
1983:	Bought DFS Furniture from the receivers
1993:	Company floats on the London Stock Exchange

UAP's chairman: a very strong taste for privatisation

THERE are few better connected businessmen in France than Jacques Friedmann, the newly-appointed head of Union des Assurances de Paris, the country's largest insurer and one of the stars on the government's privatisation list.

The UAP chairman has the ear of the two most powerful political figures in France – he is a childhood friend of Jacques Chirac, head of the Gaullist RPR party and a front-runner to be the next president, and a trusted adviser to prime minister Edouard Balladur. This is largely the reason for his appointment.

Although regarded as a shrewd manager while he was head of Air France between 1987 and 1988 and at previous posts such as his chairmanship of the Compagnie Générale de Maritime, he has never worked in insurance. At 61, he may have little taste for the intricacies of premiums, risk analysis and reinsurance. Day-to-day management tasks could therefore fall to Didier Pfeiffer, the respected number two at UAP.

But Friedmann does have a taste, a very strong taste, for privatisation. As adviser to Chirac when the latter was prime minister in 1986-88, he helped draw up the government's privatisation programme. When Balladur and the right returned to power in March, he found himself performing the same function, albeit on a bigger scale.

His close links with the top Gaullist politicians will make him a central figure in French industrial policy and the execution of the state's plans to sell 21 publicly-owned groups.

His first task will be to see to the privatisation of UAP itself. He inherits a company in fairly good shape following the effective management of his predecessor, Jean Peyrelevade.

In October, Peyrelevade concluded a long-running dispute with Suez, the industrial and financial holding company, which gave UAP control of Colonia, the German insurer.

Shortly afterwards, UAP announced first half profits of FFr1.09bn (£120m), a rise of 15 per cent over the first six months of 1992, and evidence that the company is on the road to recovery after a dismal performance last year.

With its results on the mend, privatisation of UAP is expected to take place in the first half of next year.

John Ridding

Diplomacy and worry beads

GREECE's new socialist government has persuaded Nikos Kyriazides, a former executive director of the IMF, to come out of retirement to take on the newly created post of debt manager at the finance ministry, writes Kerin Hope.

Greece's domestic debt, now at over 120 per cent of GDP, is ballooning to Latin American proportions. This is partly the result of a previous socialist government's over-generous pension policies in the 1980s. But it also reflects the outgoing conservative government's failure to reach this year's revenue targets because the Greeks could not be persuaded to pay more income tax.

Kyriazides, 66, a former deputy governor of the Bank of Greece, should be the right man for the job. During his tenure at the IMF, he had much to do with the debt restructurings carried out for Brazil, Mexico and Argentina. And when it comes to talking to the European Commission, he can draw on his experience as chief Greek negotiator in the run-up to Greece joining the Community. And then there are the diplomatic skills picked up while serving as Greek ambassador to London between 1982 and 1986, his last job under a socialist administration. He learnt his economics at Oxford and the University of Chicago.

Kyriazides, one of the few Greek bankers who still flips a string of worry beads while he talks, sounds confident that he can find a way of restructuring part of the Dr5000bn ($20bn) owed by the government to Greece's commercial banks that will meet with EC approval. But he is leaving nothing to chance. His worry beads are blue, the colour that in Greek eyes brings good luck.

Germans' turn at Europay

KURT RICHOLT, who was dismissed from the board of Commerzbank in May, is to be the new chairman of Europay International, the Brussels-based group formed last year by the merger of Eurocard and eurocheque, writes Katharine Campbell.

Richolt, 54, will chair the board which is comprised of senior executives from 17 member countries including eastern Europe. It is effectively a non-executive role and he will work on average a little more than one day a week.

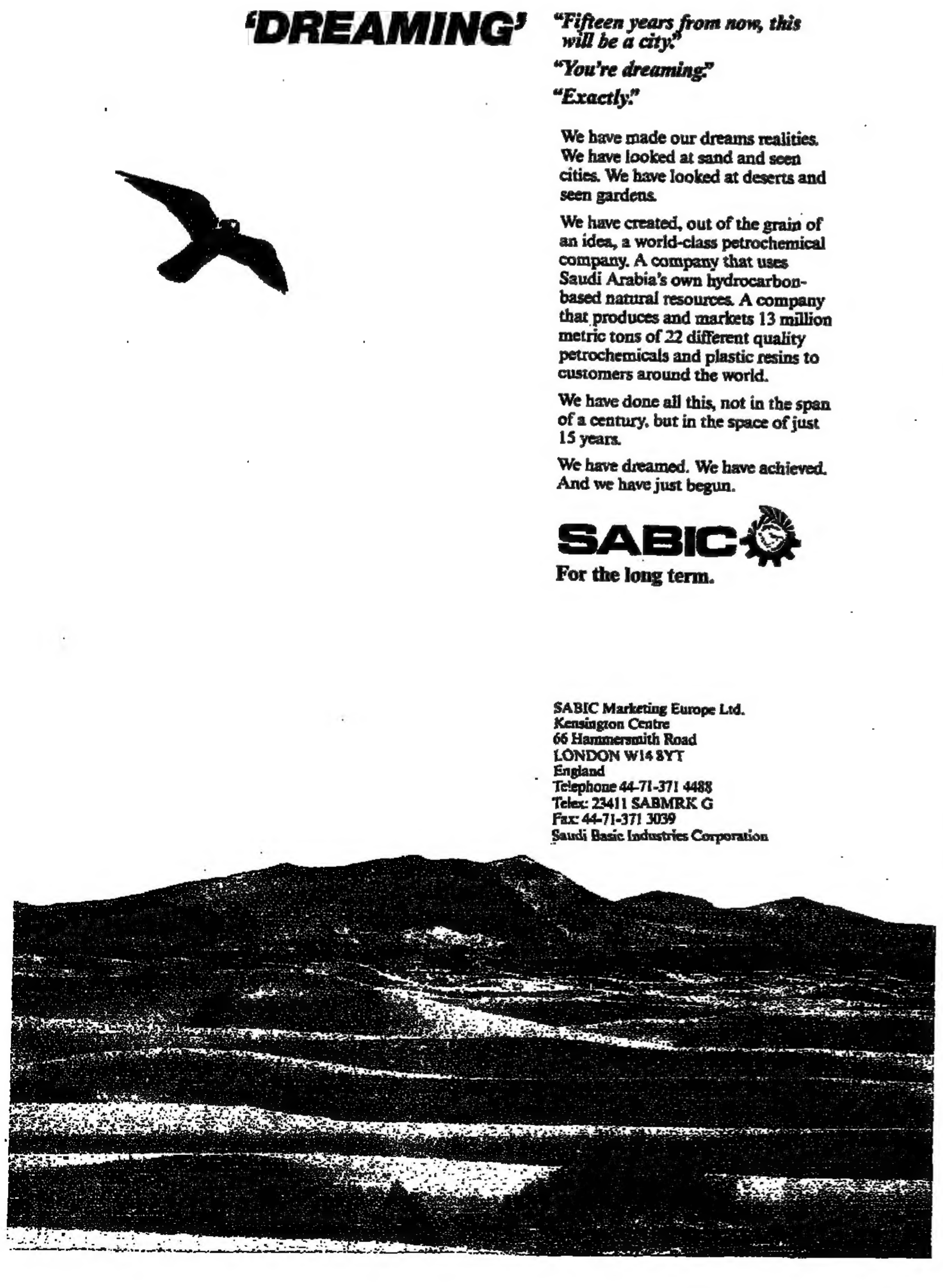
He replaces Bernard van Eldik, a 64-year-old Dutchman who played a leading role in the Eurocard/eurocheque merger completed in September 1992. The organisation, whose biggest competitor is Visa International, claims to be the biggest card group in Europe with some 80m cardholders.

Europay's secretary general Mark Van Wauwe explains that with a British chief executive, Ron Williams, and a previous Dutch chairman, it was felt that the Germans, who have three seats on the 25-strong board, were due a turn.

In an unusual move, Richolt, who had been on the board of Commerzbank since 1982, was dismissed after Germany's third largest bank made provisions of DM300m as a result of the collapse of the Danish insurance company Hafnia. The last time a board member of one of the big German banks was dismissed is believed to have been 1980.

Van Wauwe highlights Richolt's varied international experience as well as his grasp of English, Spanish and French. "He has been selected and his appointment has been agreed by the whole German banking community," he adds. The three Germans on the board come from Hypo Bank, the savings and the co-operative banking associations.

While Van Wauwe contends that it was "the unions" who insisted on Richolt's departure, Commerzbank says it was the decision of the whole supervisory board. Although the bank lost sizeable sums in lending to the likes of Olympia & York, it was decided to establish accountability in the Hafnia case because of the size of the exposure to a company that was not a worldwide industry leader. Richolt was the board member with area responsibility for Scandinavia.



to proceed.
In the Ukraine, unable and

Electricité de France, told the

Theatre/Malcolm Rutherford

A spectacular Perestroika

From funereal US rabbi to Russian agitator: Harry Towb plays the last surviving Bolshevik in the Kremlin in 1986

Like Proust or Anthony Powell's sequence of novels, *A Dance to the Music of Time*, Tony Kushner's epic play *Angels in America* is not something you should begin in the middle. You should also remember the sub-title. This is *A Gay Fantasia on National Themes*, not the history of America. Even so, there is a lot of American history in this riveting seven hour drama.

Part One, *Millennium Approaches*, opened on the Royal National Theatre's Cottesloe stage in January last year, and was *magnificent*. It has now been revived as splendidly as ever. It is accompanied by Part Two, *Perestroika*, which initially at least is a disappointment. That is a view which one rapidly revises as the play goes on. By the end, the whole of *Angels in America* is a wonderful theatrical achievement.

One of the problems with Part Two, as Kushner admits, is that he thought of the title before he wrote the piece. "I had this wild-eyed notion that Gorbachev was going to make the world a different place and bring about the advent of democratic socialism," he has said in an interview. The real perestroika has not quite worked out like that, but Kushner kept the title because Gorbachev claimed that his job was simply "to make change irreversible".

Keeping the Soviet background leads to a strange opening. *Perestroika* begins with a speech by the last surviving Bolshevik in the Kremlin in 1986. It is delivered by Harry Towb, the same actor who starts Part One as an American rabbi at an obscure funeral. Any attempt at parallelism between American and Russian history is quickly abandoned. There are some later references to Chernobyl (as reported to America by the World Service of the BBC) but for the main we return to the original characters.

The surprise here is that the two principal victims of Aids in *Millennium Approaches* are still alive. Indeed, apart from the Russian interlude, Part Two picks up more or less where Part One left off. There is a trip to heaven as *Perestroika* goes on, but it seems to be on a return ticket, and even at the end one of the Aids sufferers survives with the hope of another five years. No-one can say that Kushner is a pessimist: he even includes the New World Symphony.

What do they do all the time? They talk, make love, *fall out*, then talk again. Apart from the state of America, *Angels* has three main subjects. One is Aids, another is Roy Cohn, an adviser to Senator McCarthy who died of the disease in 1986, and the third is religion in general and Mormonism in particular. The common thread is homosexuality.

The period is broadly the Reagan presidency, even if Cohn seems a throwback. In the gay community, it is more of a shock that a young married Mormon should admit to voting Republican than that he should be a closet gay. To Americans, however, the biggest shock must have been the discovery of Cohn's illness.

> *Gorbachev was going to make the world a different place . . . The real perestroika has not quite worked out like that, but Kushner kept the title because Gorbachev claimed that his job was simply "to make change irreversible".*

Here was the most rabid right-winger *of the lot, claiming to* have been responsible for sending the Rosenbergs to the electric chair, exposed as a homosexual with a disease than had then scarcely been identified. He threatened to sue his doctor if he diagnosed anything more than cancer of the liver.

Cohn is magnificently played in both parts by David Schofield. The young Mormon who *has no difficulty in sleeping* with him is Daniel Craig. But *this is a complex set of relationships*, almost as if several plays were going at once. At the heart of it is the affair between Prior Walter (Stephen Dillane) and Louis ("my friends call me Louise"), the lover played by Jason Isaacs, who abandons Walter when the latter's Aids is discovered. The scene at the end of Part One where they waltz together is almost unbearably moving.

Few of the lovers are monogamous. A gay black nurse called *Belize (Joseph Mydell)* shows how easy it is to come and go. There are also sub-strands involving the Mormon's pill-popping wife and mother. All of these parts are superbly acted.

Yet it is not really the subject that makes *Angels* work. It is the nature of the dialogue *and the quick shifting from* one scene to another. Kushner *is a master of one-liners*, moving from quotations from Shakespeare to popular songs within the same sentence. Even in the most intense episodes, there is a burst of wit. The staging of some of the set pieces is spectacular. Note the smart restaurant scene when Cohn is trying to persuade his Mormon friend to commit perjury, and a similar scene at a bar. The immaculate direction *is by Declan Donnellan and the* design by Nick Ormerod.

In repertory, Cottesloe Theatre, (071) 928 2252

Opera/Max Loppert

Intelligent Lohengrin melds potent myths

English National Opera's new *Lohengrin* is the company's first since 1971. The work is hard to bring off: an amply proportioned Grand Opera fairy-tale about the eternal battle between Good and Evil beneath whose surface Wagner has melded several potent myths dealing with the role of the artist in society, the relationship of the sexes and (viewed through Freudian eyes) the development of the individual psyche.

I *suspect that now* it is harder to bring off than ever, in a *feminism-influenced* age suspicious of notions of Elsa-like *feminine innocence* and Lohengrin-like spotless chivalry, *a television-dominated* age out of tune with musical *spaciousness and steady-paced* unfolding and vocally a post-heroic age widely deprived of the type of Wagner voices (broad-spanning, truly mettled, pure and shining of timbre) on which so much of the opera's peculiar atmosphere depends.

So the notable success of this new production lies in its nice balance simplicity and many-sidedness in the dramatic handling, a precise musical flow established by the conductor, Mark Elder, which enables the drama to work up a powerful, impressive, long-lingering resonance. This achievement is more than the sum of its parts, as probably an ENO *Lohengrin* is always likely to be: the orchestral playing and choral singing solid and finely prepared but lacking the last ounces of radiance; the casting *more on "house" than international* considerations; the finish *of design made perhaps* even plainer than intended by economic stringency here and there one senses that an extra £10,000 added to the budget would have come in mighty useful.

And yet in the first two acts of Saturday's opening performance there was no doubt that the experience was taking strong hold (I have not encountered the Coliseum stalls in such quiet, concentrated form *for a long while*). Act 3 began with a functional glitch during which the movement of curtains a key feature of Hildegard Bechtler's set design seemed briefly possessed by the spirit of Disney's *Fantasia*; the mood was unsettled for a while afterwards, on stage as well as in the audience, and no doubt later evenings will proceed *more serenely*.

Even then, however, the *spare intelligence of Tim* Albery's production still *exerted itself in multifarious* fascinating ways. In line with *the best of this remarkable* director's work the recent *Opera North Don Carlos, say*, or ENO *Budd* and *Grimes* the modernity of the vision is remarkably un-prescriptive. The setting, with its economical yet architecturally forceful outlines evocative of stony, sculptured texture, bold restriction of colour, sensitive gradation of light (by Jean Kalman, a master of his craft), and carefully controlled massed groupings, permits response on many levels ancient and modern, "mythic" and analytic, narratively straightforward and psychologically probing.

The simpler pleasures of the opera are not scorned: the slow build-up of tableaux, episodic pictorialism, romantic alternations *of light* and dark. (There's even a real dove.) Nei*ther are the thought-provoking* ambiguities: the choreographic *embodiment of the swan and* final resurrection of Elsa's young brother show as much. The treatment of the main characters is as reverberant as the experience of the principals will allow: which means that the Ortrud of Linda Finnie, the most significant Wagnerian performer on stage, accrues a controlled stillness and depth unmatched elsewhere.

This is *not Lohengrin as* postmodernist lecture-demon*stration, but its qualities* encourage the audience-member to come to grips with the work in all its rich and problematic aspects. Without Mr Elder, who has matured into a Wagner conductor of genuine and palpable authority, one suspects that the grip would have to be comprehensively loosened. Nothing in the shap*ing or pacing of the work drew* attention to itself; equally, *nothing dragged or sagged*. The transitional middle-point *of the middle act, a perilous* moment of possible *Lohengrin* tedium, was sustained as firmly as the previous Elsa-Ortrud encounter had been.

All that the evening lacked was real beauty, and *follow-through*, of singing. The Lohengrin, Elsa and King John Keyes, Linda McLeod, Michael Druiett are all young singers of considerable Wagnerian potential and no less considerable patchiness of technique; one longs for a Reginald Goodall to arrive swan-borne on the scene and coach them into a more complete state of "finish". Miss Finnie's powerful mezzo is exercised to its limits: the effect is dangerous, but in the event thrilling.

Malcolm Donnelly's Telramund is sound workaday, Christopher Booth-Jones's Herald admirable. The clear, *sensible new translation by Amanda Holden adds greatly to the viv*idness of the performance, *although a handful of bêtises* "from whence", indeed! remain to be sorted out.

ENO at the London Coliseum: in repertory until December 29; sponsored by Friends of ENO

Early Mozart

The season marking Opera North's 15th year of existence continues, somewhat uncertainly, with a new production of *Il re pastore* (1775), the rare, slender, beautiful chamber opera – properly a dramatic *serenata* – of Mozart's late teenage. Measured by the company's own standards the *show is a disappointing case of* internal imbalance: decently played *and sung (in certain* instances rather more than that), *feebly and trivially* staged.

The excuse may be that it was got up at a last-minute replacement for the *Eugene Onegin* which Opera North decided not to borrow from Welsh National Opera (quite wisely, in my view: that was *feebleness and triviality on a* much grander scale). The intended Tatyana, Joan Rodgers, and Olga, Patricia Bardon, have gone into the *Re pastore* cast; the remaining three members of the quintet, freshly engaged, are useful Mozartians and it is the fault of neither the singers, nor the English Northern Philharmonia under Paul Daniel, nor indeed the cleanly singable new translation by Amanda Holden, that at moments the *first of the work's two acts* comes close to a write-off.

In his 19th year Mozart was already an international veteran of opera-composition, but he was back in Salzburg and opportunities to write operas were painfully scarce. He longed to do so, as letters attest; and when this one came his way – a *pièce d'occasion* on an already much-set text by Metastasio, the Habsburg court *poet – he seized it to produce* music of a progressively deep*ening warmth that lift the* experience far above pastoral politeness. *At its heart is the* aria "L'amero, saro costante", a reverie for the twined voices of the soprano-castrato hero and solo violin as raptly tender as anything he ever wrote.

Depth and warmth the work may possess, in abundance, but it is still essentially an *exercise in style – the high* court style – which in any *modern revival needs either* careful re-creation or else stringent reassessment. *Jejune coy*ness of the sort the Opera North director, David McVicar (also designer, in tandem with Frank Higgins), foists on the *serenata* structure is fatal.

During the overture, puppets prance larkily on the bottom edge of the front-cloth, blocking out any possibility of actual *listening* to the music; *the whoops-a-daisy* treatment of the shepherd and shepherdess hero and heroine, attended by five cute child figurants, is in the *same vein*. In the second act, as weightier emotions shade the situations, the stage action becomes less footling, but by then the damage is done.

At least, though, there is the ineffably delicate, fine-grained Joan Rodgers in the title role – on Thursday the pure line of her lower notes sounded a *touch sullied (by a cold, I* guess), but excellent technique *left her mastery of Mozart style* unscathed. Mary Hegarty as the shepherdess Elisa, though a less careful vocalist, beams out a ray of sunlight with her bright, sweet, unforced tones.

The two tenors, Martyn Hill and Philip Salmon, cover skilfully their passing moments of dryness; Patricia Bardon's rich mezzo is too weighty for Mozart's *seconda donna soprano* role. Daniel's conducting tends *to bustle the early stages of the* work along – with this production unfolding before his eyes, who can blame him? Thereafter the balance between Mozartian energy and Mozartian grace is more securely held.

Opera North at Grand Theatre, Leeds: in repertory until December 22; production sponsored by Yorkshire-Tyne Tees Television

Architecture/Colin Amery

Designs of a romantic hero

There is a famous still from a movie of Gary Cooper standing in full profile before a soaring skyscraper, looking firmly into the future. *The Fountainhead* was made in 1949 from the novel by Ayn Rand, *which sold five million* copies. Its hero was an architect, Howard *Roark*, a young genius who pits his wits and skills against the conventions of the New York establishment. Gary Cooper played the part to the hilt. The film, like Ayn Rand's work novel *Atlas Shrugged*, extols rugged individualism, powerful egoism *and all refusals to compromise.* Her hero was probably based on the *American architect*, Frank Lloyd Wright, who certainly saw the architect's *role* as that of the powerful, single minded genius.

Sir Norman Foster is an architect *who shares with the* hero of *The Fountainhead* that *taciturn virility* and confidence. His quiet conviction that his designs are rational and *logical* is impressive. He is also convinced that architecture is a product of individual genius and that compromises are to be avoided. A visit to his *London* office reveals that, while undoubtedly a top architect, *he is also aware that pos*terity may see him as a creative romantic – a man who tried to change the world.

In this year's Financial Times Architecture Award Sir Norman's office has two runners in the short list: the University Library at Cranfield; and Stansted Airport in Essex, which represent just a fraction of the work of this international practice. In the pipeline there are a quite remarkable number of major projects. The *new Canary Wharf* underground station will be the best *reason for the expansion of the* Jubilee line, and the Imperial War Museum exhibition hanger at *Duxford* will be a dazzling example of appropriate technology. Then there are three new international headquarters for major companies – Agiplan, Obunsha and Sanei; a new law library for the Cambridge Institute of Criminology as well as the new Napp laboratories *for the same city*; the new Commerzbank in Frankfurt; in Berlin the new *Reichstag*; in Nimes the Carre D'art; in Frejus the new *Lycee*; in Rotterdam the Marine Safety Simulator; in Neudorf the business promotion park; and in Corsica a timber framed house for a private client.

If the Governor of Hong Kong can keep things on an even keel, Sir Norman's design for the large new airport at Chep Lap Kok will be one of the *finest new airports* in the world. In Valencia the design *for the new conference centre* is well underway, and in the City of London the new offices at Tower Place for Bowrings *is* currently in for planning consideration. Sir Norman has been unafraid to add to a listed building – a house in Chelsea designed in the 1930s by Mendelsohn and Chermayeff – enhancing the original. In Omaha, Nebraska his firm is *adding a wing* to the Joslyn Art Museum; and the results *are still awaited for the compe*tition for a new Gallery of Scottish art in Glasgow.

The hero of *The Fountainhead* would have been amazed that one architect could change so much of the world. Foster's office gives some clues. Visitors enter and walk up a grand, gentle granite staircase and the office itself is a young architect's dream. Beneath a high glass wall with *amazing views of the Thames* are ranks of architects and *technicians. Howard Roark* would have enjoyed this elevated position: you feel as though the team below could well be drawing up designs for some great spaceship to take us all to the moon or beyond.

For the best of Foster's work in the UK, go to Stansted Airport and then to the Sainsbury Centre at the University of East Anglia in Norwich. The extension to the Sainsbury Wing is a cool triumph. To enjoy *Foster more intimately*, the Royal Academy's Sackler *Galleries show how well he can* fit an older context.

It will be fascinating to see how Foster does in the FT Award on November 29. Meanwhile, he should be appointed designer of the new Tate Gallery Museum of Modern Art, convert the Bankside Power Station into a home for *very* contemporary art (like the Los Angeles Museum of Contemporary Art, in warehouses con*verted by Frank Gehry*), and build a gallery for modern art on the Vauxhall site.

INTERNATIONAL ARTS GUIDE

BERLIN

MUSIC/DANCE

Deutsche Oper Tonight: Gershwin *and the Golden Years of Broadway.* Tomorrow: Gluck's Orfeo. Wed: Béjart's ballet *Ring Round the Ring.* Thurs: Il trovatore. Fri: L'italiana in Algeri with Jennifer Larmore. Sat: Tosca with Galina Kalinina and Richard Margison. Sun: Tannhäuser with René Kollo, Sabine Hass and Karan Armstrong (341 0249)
Staatsoper unter den Linden Sat: Daniel Barenboim conducts gala concert *devoted to works by* Wagner, with soloists Placido Domingo, John Tomlinson and Deborah Polaski. Sun: Barenboim conducts Nicholas Brieger's production of Busoni's Die Brautwahl (200 4762/2035 4494)

CONCERTS

Philharmonie *Tomorrow: Berlin* Philharmonic Piano Quartet plays works by Suk, Schnittke and Strauss. Sat and Sun: Claudio Abbado conducts Berlin Philharmonic Orchestra and Slovak Philharmonic Chorus in concert performances of Boris Godunov, with a cast led by Aage Haugland, Anatoly Kotcherga, Olga Borodina and Vladimir Chernov (2548 8132)
Schauspielhaus Fri, Sat, Sun: Bruno Leonardo Gelber is piano *soloist in a Berlin Symphony* Orchestra concert featuring works by Beethoven, Debussy, Messiaen and Schubert (2090 2156)

THEATRE

A new production of Tennessee Williams' rarely staged 1957 play Suddenly Last Summer opens at the Deutsches Theater Kammerspiele on Sun, directed by Petra Segtrop (2844 1226). Pirandello's The Mountain Giants has just opened at Maxim Gorki Theater, directed by Rolf Winkelgrund (208 2783)

NEW YORK

DANCE/MUSIC

State Theater New York City Ballet opens its new season tomorrow with a gala on the theme of Broadway and Hollywood. Wednesday's performance is an all-Balanchine programme. No *performance* this Thursday (Thanksgiving). The season runs *daily except Mon till Feb 27, with* matinee and evening performances every Sat and Sun. From Dec 1 to Jan 2 the repertory is devoted to Balanchine's version of The Nutcracker (870 5570)
Joyce Theater Garth Fagan Dance is in residence till Sun. Next week: Toronto Dance Theatre (242 0800)
Metropolitan Opera This week's repertory consists of Rusalka, La *boheme and Madama Butterfly.* No performance on Thursday. A new production of Verdi's I Lombardi opens on Dec 2 with a cast led by Luciano Pavarotti (362 6000)
Avery Fisher Hall Tomorrow: *Charles Dutoit conducts New York* Philharmonic Orchestra in works by *Richard Strauss, Martinu* and Ravel. Wed, Fri afternoon, Sat, next Tues: Franz Welser-Möst conducts works by Richard Strauss and Franz Schmidt, with horn soloist Philip Myers. Sun afternoon: Alicia de Larrocha piano recital (875 5030)
Alice Tully Hall Sun afternoon: Thomas Hampson song recital (875 5050)

THEATRE

- Angels in America: Tony Kushner's epic two-part drama – *about religion, sex, Aids and corrupt* politics – conjures a vision of *America* at the edge of disaster. Part one, Millenium Approaches, has now been joined by its sequel, Perestroika (Walter Kerr, 219 West 48th St, 239 6200)
- The Red Shoes: a new musical based on the 1948 film. Music by Jule Styne, book by Marsha Norman, lyrics by Norman and Paul *Stryker, choreography by Lar* Lubovitch. In previews (Gershwin, *51st St, west of Broadway*, 307 4100)
- She Loves Me: the 1963 Bock, Harnick and Masteroff musical directed by Scott Ellis – a delicate, unabashedly simple story with all the humanity, integrity and charm that Broadway's *glitz-laden* mega-musicals lack (Brooks *Atkinson, 256 West 47th St*, 307 4100)
- Kiss of the Spider Woman: a Kander and Ebb musical with a star performance by Chita Rivera in the title role. Directed by Harold Prince (Broadhurst, 235 West 44th St, 239 6200)
- Blood Brothers: Willy Russell's *musical*, imported from *Britain*, about twin boys who are separated *at birth and later fall in love with* the same girl. The cast includes Shaun and David Cassidy and Petula Clark (Music Box 239 West 45th St, 239 6200)
- Forbidden Broadway 1994: a new edition of Gerard Alessandrini's musical satire of Broadway shows and their stars (Theatre East, 211 East 60th St, 838 9090)
- Four Dogs and a Bone: *a satire*, written and directed by John Patrick *Shanley, on moviemaking and the* power plays between producer, *screenwriter, seasoned actress and* aspiring starlet (City Center, 131 West 55th St, 581 1212)
- The Sisters Rosensweig: Wendy Wasserstein's play, a comedy with serious undertones, about the reunion in London of three American Jewish sisters (Ethel Barrymore, 243 West 47th St, 239 6200)
- *Oleanna: David Mamet's drama* about sexual harassment and *political* correctness on the university campus (Orpheum, 126 Second Ave, between 7th and 8th Streets, 307 4100)

JAZZ/CABARET

Blue Note Herbie Hancock opens *an engagement tomorrow (131 West* 3rd St, near Sixth Ave, 475 8592)
Algonquin Hotel Weslia Whitfield, one of the most assured and affecting jazz-cabaret voices to arrive in New York in years, is in residence in the Oak Room (59 West 44th St, 840 6800)
Michael's Pub A tribute to the music of Eddie Lang, Bix Beiderbecke and Bing Crosby is the current attraction, with Woody Allen's Dixieland jazz band providing *the entertainment on Mondays* (211 East 55th St, 758 2272)
Rainbow & Stars *Starting* tomorrow: a tribute to Leonard *Bernstein, commemorating what* would have been his 75th birthday, with *songs from West Side Story*, On the Town and others (30 Rockefeller Plaza, 632 5000)

PARIS

OPERA/DANCE

Théâtre Champs-Elysées *A new* production of Lully's Roland (1685) opens on Fri. René Jacobs conducts a staging by Gilbert Deflo, designed by William Orlandi, with a cast led by José van Dam. Repeated Nov 28, 30, Dec 2, 4, 7, 8 (4952 5050)
Opéra Bastille Bob Wilson's *new* production of Madama Butterfly, *conducted by Myung-Whun Chung*, can be seen tonight, Wed, Thurs *and Sat, with further performances* till Dec 10. Diana Soviero and Valentina Sedipova alternate in the title role. Tomorrow: Julie Kaufmann and François Le Roux, accompanied by Irwin Gage, sing Wolf's Italian Songbook (4473 1300)
Palais Garnier *Ballet de l'Opéra* de Paris revives its 1992 production *of Picasso et la Danse* on Fri. The programme features choreographies by Nijinska (1924), Roland Petit (1945) and Massine (1919). Daily except Sun and Mon till Dec 8 (4742 5371)
Théâtre de la Ville Catherine Diverrès in residence this week with latest dance work (4274 2277)

CONCERTS

Salle Pleyel Tonight: Alfred Brendel plays Beethoven piano sonatas. Fri: *Marek Janowski* conducts Orchestre Philharmonique de Radio France in works by Wagner and Richard Strauss (4561 0630)
Châtelet *Fri: Simon Rattle conducts* Ensemble InterContemporain in *works by Simon Holt, Messiaen* and Shostakovich, with soloists Elise Ross, *Willard White and Florent* Boffard. Next Mon: Nikolaus *Harnoncourt, Gidon Kremer and* the Chamber Orchestra of Europe *(4028 2840)*
Théâtre de la Ville Fri and Sat: Yuri Bashmet and the Moscow Soloists present two programmes, including works by Schnittke, Brahms and Bach (4274 2277)

JAZZ/CABARET

Five Blind Boys of Alabama are in *residence this week at Lionel* Hampton Jazz Club. Nov 29-Dec 11: *Linda Hopkins*, veteran New Orleans jazz singer (Hotel Meridien Paris Etoile, 81 Boulevard Gouvion St Cyr, tel 4068 3042)

THEATRE

Peter Sellars' English-language *version of Aeschylus'* The Persians is in its final week at Bobogny (4831 1145). *Jorge Lavelli's Avignon* Festival production of Edward Bond's *Maison d'Arrêt* daily except Mon till Dec 12 at Théâtre National de la Colline (4366 4360). Büchner's Woyzeck, directed by Jean-Pierre Vincent, daily except Mon till Dec 30 at Le Rond-Point Théâtre Renauld-Barrault (4495 9800).

ARTS GUIDE

Monday: Berlin, New York and Paris.
Tuesday: Austria, Belgium, Netherlands, Switzerland, Chicago, Washington.
Wednesday: France, Germany, Scandinavia.
Thursday: Italy, Spain, Athens, London, Prague.
Friday: Exhibitions Guide.

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Thursday Sky News: Financial Times Reports 2030; 0130
Friday Super Channel: European Business Today 0730; 2230
Sky News: Financial Times Reports 0530
Saturday Super Channel: Financial Times Reports 0930
Sky News: West of *Moscow* 1130; 2230
Sunday Super Channel: *West of Moscow 1830*
Super Channel: Financial *Times Reports* 1900
Sky News: West of *Moscow* 0230; 0530
Sky News: Financial Times Reports 1330; 2030

Samuel Brittan

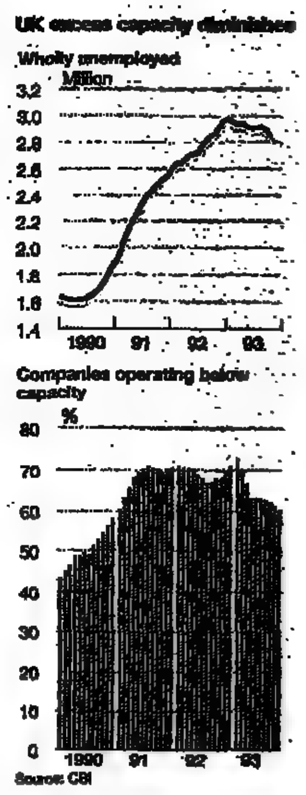
An enigma behind the UK recovery

The old proverb says that every grey cloud has a silver lining. The British, however, are good at seeing the grey lining around every silver cloud. There is thus a resistance to seeing how good the recent economic news has been in a recession-beset world. For instance, the surprise October fall in the retail prices index took the index so far below what was expected that it has given a downward push to the inflation trend.

Students of the inflation process must get used to three inflation measures. There is the "headline" RPI rate, heavily distorted by the timing of mortgage rate changes and which now stands at the unrealistically low rate of 1.4 per cent, year on year. Then there is the official measure of the underlying RPI rate, which excludes mortgage interest and stands at 2.8 per cent.

Finally there is the core rate which attempts to remove other temporary disturbances, such as those caused by indirect tax changes. How to measure the core is controversial. But an estimate by Michael Saunders of Salomon Brothers puts it at 2.8 per cent too. Taking into account the increases in value added tax in the pipeline and assuming a further small increase in excise duties, Saunders expects the underlying rate to rise briefly next summer to a couple of decimal points above the official 4 per cent target ceiling; but he expects the core rate not to rise much above 3 per cent.

This downward pressure on prices reflects a more competitive atmosphere than that normally brought about by a slack economy. The RPI indices are supported by pay settlements, which are the lowest since the Confederation of British Industry databank started in 1977. Earnings increases due to third-quarter pay awards in manufacturing are estimated at 2.3 per cent. In services they are 2.8 per cent, a fall from the previous quarter. The CBI estimates are corroborated by official figures showing recorded earnings increases for September down to 3 per cent.



Source: CBI

UK pay per unit of output is actually down on a year ago compared with 6 per cent increases in both Japan and Germany. Only the US is increasing its competitiveness more rapidly than the UK.

To cap it all, lower inflation has been accompanied – contrary to what might be expected at this stage of the cycle – by falling unemployment. The number out of work peaked in January at 10.6 per cent, and has since fallen by 0.4 percentage points, the fall now spreading for the first time to the long-term jobless. The chancellor, Mr Kenneth Clarke, will be free to argue in his Budget next week either that the economy is now doing so well he can avoid a tax increase, or that it is strong enough to withstand such an increase.

But having celebrated the good news, an economic analyst should want to dig deeper. In particular, he should ask about the present upturn; is it vigorous enough to reduce the gap between actual and potential output? Or is it so feeble that the gap is getting larger and depression intensifying?

Official output figures still suggest the latter. Non-oil gross domestic product rose by well under 2 per cent in the year to the third quarter of 1993. This is below the most conservative estimate of the growth of capacity and fits in with the popular impression of a modest and patchy recovery.

How can this be reconciled with falling unemployment and rapidly rising productivity? The most optimistic explanation is that the upturn is stronger than realised. The pessimistic explanation is that productivity gains are being overstated because of inadequate allowance, for instance, for the increasing numbers of part-time workers.

It will be some time before there is enough data for a full explanation. The fact that unused capacity, as measured by the CBI survey, is declining along with unemployment, makes it look as if there is a genuine reduction in the margin of slack.

The best guess is that the productivity of workers using existing capacity is indeed increasing rapidly, but at the same time there is inadequate capacity to support a true recovery. In other words, capacity shortages will recur while there are still large resources of unused labour.

Some industrialists will want, in conjunction with the Labour party, to fix the capacity problem by government hand-outs for investment, a "business plan for Britain" and so on. A more reflective person would look at the inhibitions discouraging businessmen from extending capacity, as distinct from just making it more cost saving.

The remedy probably lies in still more flexible labour markets, plus more topping up of social security payments to workers of low earning capacity. Low pay and some dole are better than no pay and no work.

How Uncle Sam won over a sceptic

MICHAEL PROWSE
on
AMERICA

> *"No man whose mind is alive and active . . . can keep his political and spiritual opinions, much less his philosophical consciousness, at a standstill for a quarter of a century . . ."*
> – George Bernard Shaw in The Perfect Wagnerite (1898)

GBS is always there when you need him. Recently I have been wondering how to respond to remarks that my opinions have changed since I moved to Washington. How, I am asked, can someone who rarely hesitated to find fault with Thatcherism now write so sympathetically about market forces? Is it the climate? Or perhaps the food? Am I being blackmailed by some arch-conservative think-tank?

Shaw provides the perfect answer. My views have not changed. I have simply managed to avoid an intellectual "standstill". I may not have written for the Financial Times for a quarter of a century. But it will soon be a decade. And much has changed in those years.

As people age, a coarsening of their thought is sometimes evident. Youthful idealism gives way to knee-jerk punditry, sometimes of a reactionary nature. Sympathy for the disadvantaged can evaporate. As the old adage goes: "If you are not a socialist at 20 you don't have a heart; if you are not a conservative at 40, you don't have a head."

I am not conscious of any loss of idealism. But my views on the kind of policies that are likely to be effective in the long run have evolved. Compared with a decade ago I am more sceptical of government solutions and more willing to rely on market forces.

I realise this runs directly counter to spirit of the times. President Clinton is in power, not President Reagan. In the early 1980s, there were high hopes for monetarism and markets. The pendulum has since swung back in favour of interventionist policies. Keynes's critique of classical economics is again taken seriously – especially in Britain.

Various forces – some external, some internal – have contributed to my change of heart. The most significant political event of this past half-century is the demise of communism and central planning. This has occurred not just in the former Soviet Union and eastern Europe but in Asia, where China is moving toward a market system, and in most of the rest of the developing world. Billions have opted to replace bureaucrats by markets.

The relevance of the global collapse of communism for the advanced industrial economies can be endlessly debated. Since the west rejected full-blown central planning and stuck with parliamentary democracy, many people conclude we have nothing to learn from events in Russia, Poland or China.

This strikes me as less than intellectually honest. In the days before the fall of the Berlin Wall many western economists greatly exaggerated the success of economic planning and suggested that, with a different political regime, it could provide a viable alternative to capitalism. We now know better.

Communism was a logical extension of 19th-century socialist ideas. People like Shaw believed in state ownership of the means of production, in the elimination of the profit motive and in a near complete equalisation of incomes. The failure of socialism as a national economic system ought to make us more sceptical of applying similar principles on a smaller scale within industrial democracies.

On a personal note, leaving Britain in 1990 before the economy imploded, has left me in a less pessimistic frame of mind than many UK commentators. Nothing fuels hostility to market forces more effectively than a depression. When unemployment is high, the well-intentioned naturally recoil against the apparent waste and cruelty of the market system. Had I lived through the latest UK recession, which was much deeper than the US downturn, I would be more receptive to anti-market rhetoric.

But living in the US has illuminated some of the virtues of the market. For all its chronic social problems, America's smoothly-running market economy offers a sturdier ladder of opportunity than Britain's. There is plenty of old money around. But the link between wealth and social class is far less pronounced: if somebody is wealthy, the presumption is that they worked for it. There is a greater sense of optimism, a deeper confidence that free enterprise, for all its imperfections, will reward ability and hard work.

Britain might have developed US attitudes if Gladstonian liberals had been able to resist the intellectual advance of socialism. If the Liberal party had seen off the challenge from Labour and retained its commitment to free trade and free markets, political power might have see-sawed between two parties broadly committed to free enterprise. The Liberals could have played the role of American Democrats – a role which the Labour party could yet play with distinction.

Looking back, I can see that gut hostility to market forces came naturally to someone of my generation. I was, after all, raised in a welfare state. I enjoyed "free" state education (at university as well as school) and "free" state healthcare. I took for granted the government's right not only to steer the economy but to regulate the whole of society. I had no interest in industry or commerce. Entrepreneurship? The profit motive? These were concepts dismissed with disdain by the intellectuals I admired.

I had what I would now describe as a "hang-up" about social justice. Since our needs are similar, shouldn't we have roughly equal incomes? Why? A society must provide an ample safety net for the poor, but surely the left's obsessive desire to redistribute incomes reflects a crass materialism or, worse still, sheer envy of the good fortune of others.

Nobody is qualified (not even a parliamentary majority) to judge what income their neighbour deserves. The beauty of a market system is that judgments of worth are not required: in the absence of artificial barriers to competition, what we get will usually be determined by the usefulness of our services to others.

Unfortunately, market forces remain deeply unpopular. The terminology is certainly unhelpful. "Market" sounds hideously impersonal, while "forces" conjure up images of authoritarian repression. Why should any society subject itself to so unnatural a discipline?

To appreciate the market you have to consider its nature more carefully. It is not something external forced on us. It is us: it is simply the sum total of free exchanges between individuals. It is the only genuine form of social co-operation because no exchange occurs unless each party expects to benefit.

Of course, our "voting power" on the market is not equal because our incomes differ. But the combined voting power of ordinary people vastly exceeds that of rich elites, which is why snobs so dislike commercial television. And in the market we get to vote several times a day, not once every four or five years. And we are voting on specific issues rather than consigning virtually limitless powers to a bunch of politicians.

Millions of people cannot physically co-ordinate their decisions except through the market. The only alternative to the market is thus the transfer of power to bureaucratic elites, nominally supervised by their parliamentary masters.

Do such opinions make me a conservative? I would say, emphatically, no. Somebody who advocates more competition and more reliance on market forces is no friend of vested interests or the status quo.

Today's true conservatives are the people who have learned nothing from the 20th century, the people whose attitudes and actions distantly echo the arguments of 19th-century Fabian socialists such as Shaw. Indeed, given his optimistic temperament and commitment to human progress, I am confident that had Shaw been born in 1956, rather than 1856, he would not be a Shavian. He would be waving the market banner.

LETTERS TO THE EDITOR

Number One Southwark Bridge, London SE1 9HL
Fax 071 873 5938. Letters transmitted should be clearly typed and not hand written. Please set fax for finest resolution

IMF rules for loans to Russia a 'cop-out'

From Mr Jeffrey D Sachs.

Sir, Mr John Odling-Smee's defence of the International Monetary Fund role in Russia (Letters, November 17) includes three dubious propositions that, taken together, help to account for the IMF's very limited achievements in the former Soviet Union.

First, Mr Odling-Smee claims that the IMF staff are in "close contact" with Russia at this crucial juncture. In fact, aside from a couple of resident representatives, there is no IMF team currently in Russia. The IMF work, such as it is, is conducted by telephone from Washington, and by brief fly-ins. When the IMF is actually ready to negotiate, it will insist on a prior fact-finding mission that will absorb several weeks before the start of actual negotiations. The Russians are thereby left without in-depth IMF technical assistance in planning 1994 policies. Worse, under the IMF's standard operating procedures, Russia will not see another IMF loan disbursement for several months.

Second, Mr Odling-Smee takes it for granted that Russia's failure to stabilise is proof that the IMF is right to withhold its lending. The IMF simply cannot understand that by withholding its own loans at crucial points, such as early 1992 and now, it gravely weakens the chances for successful stabilisation. When a drowning man is 10 metres from shore, the IMF throws a 5 metre lifeline, content that it has met the drowning man half way.

Third, Mr Odling-Smee asserts that it will lend money when "the Russian authorities as a whole are in a position to commit themselves to and implement, on a sustained basis, a strong adjustment programme". This IMF standard is a cop-out, and more often than not a bureaucratic excuse for inaction. In a deep crisis, reformers can never prove *ex ante* that they are in a position to sustain a strong programme; they win their reforms step by step, with successes leading to further successes. This was true for Schacht in 1923, Erhard in 1948, Salinas in 1989, Balcerowicz in 1990, and Cavallo in 1991. The IMF must lend when the chances are good, not perfect, recognising that its own loans can help to tilt the balance.

Mr Odling-Smee neglects the very reasons that make IMF negotiations in Moscow so crucial at this juncture. Since the breakthrough to new elections, the reformers have had a strong hand. They have eliminated all subsidised credits; they have ended budget subsidies on agricultural procurement; they have ended artificial write-offs of inter-enterprise arrears; they have taken over control of credit policy from the wayward central bank; they have instituted a bold land privatisation programme; and they have adopted a tough monetary programme, that if combined with IMF funds, would limit money growth to rates consistent with single-digit monthly inflation. The new Russian fiscal year starts in six weeks, and Russia must therefore plan its 1994 programme now, not on the IMF's timetable. With pre-election polls showing the reformers with a good chance to control the next parliament, the chances for stabilisation would be good if there is adequate western assistance.

Given that several weeks will be needed to conclude a loan agreement, preparations should already be under way in Moscow. IMF funds could be disbursed early in 1994 in the event the reformers triumph in the elections and are able to launch a stabilisation programme at the start of the new year. If conditions prove inauspicious, there will be opportunity enough to hold back.

Jeffrey D Sachs,
Harvard University,
Department of Economics,
Cambridge, Massachusetts, US

Way to run a railway

From Mr Noel Clarke.

Sir, Your article on European high speed rail ("Next chapter of the railway children", November 18) is a timely reminder of the social and environmental arguments for an efficient integrated European railway system. By implication it also highlights, sadly, the catalogue of failures – technical, political and commercial – to come to grips with this issue in the UK.

A view I have held for some time – and, judging from a limited poll, a not too outrageous one either – would be to hand over British Rail to SNCF, the French state rail system, in return for the French government handing over Air France to British Airways. Both governments would get rid of an unprofitable investment, would be able to claim a positive step towards European integration, and, best of all, put these businesses into the hands of those apparently better able to manage them.

Noel Clarke,
managing director,
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20 Parliament Hill,
London NW3 2TU

A contrast in environmental values

From Mr Ryotaro Kaneoka.

Sir, I read with interest David Lascelles' comparison of the way Oxford and Freiburg manage their environmental and traffic problems (Business and the Environment, November 17). If I try and read between the lines, I see a number of contrasting approaches to the way we value the environment.

1. Is Oxford's privatisation strategy a better one? I feel that a market-oriented valuation of the environment is more sustainable because Freiburg's subsidisation only adds to unwanted budget deficits.

2. Is Freiburg's high level of community control sustainable? Heavy subsidisation adds up to higher costs, and if it continues, there may be a lasting risk of Germany having a relatively high inflation rate.

3. Is Oxford's environmental pricing likely to gain wider acceptance? The majority, I suspect, still need Freiburg's inflationary market. But the global market and European currency competition must be systematically deterring the inflationary market.

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Commercial agents will retain advantages

From Mr Clive Davies.

Sir, I was most interested in the article "Agents lose jobs ahead of EU laws" (November 15) summarising some of the difficulties for principals in dealing with commercial agents after the new regulations come into force in the UK on January 1 1994.

Like many law firms, we have been working on providing advice on the impact of the regulations. In particular, I agree that companies should re-examine the implications of using commercial agents and consider the alternative of appointing distributors.

However I think it is important in making this assessment to recognise that there are fundamental differences between commercial agents and distributors which will have an impact upon this choice.

In particular, it is of course possible to set the price at which commercial agents will sell goods on behalf of a principal. Distributors, on the other hand, must be free to sell at whatever price they think appropriate. It would be illegal under resale price maintenance laws to provide otherwise.

Other factors which need to be taken into account are the impact of general competition law, which in the UK treats agents and distributors very differently, and the credit worthiness of a distributor responsible for buying and paying for goods in its own right.

The new agency rules will certainly make life more difficult for principals, and in some ways remind one of the laws regulating employees. However agents do have advantages and there are a number of factors which need to be weighed in the balance before moving to distribution arrangements.

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Monday November 22 1993

Decision time for Thorp

Within weeks, or even perhaps days, the government is likely to tell British Nuclear Fuels whether it can press the start button at Thorp, its nuclear reprocessing plant at Sellafield. The decision, one of the most controversial facing the government, seems almost certain to be yes: *ministers* have already said they are "minded" to grant a licence. Once Thorp starts to re-process fuel, there will be no turning back. The plant will be radioactive, and subject to hefty decommissioning costs.

The alternative to approval is a further public inquiry, which could last more than a year. But BNF claims this would be tantamount to abandoning Thorp, as foreign customers would walk away to French rivals. Continuing uncertainty over Thorp would also complicate and perhaps even endanger the government's planned review of nuclear power.

So far as the government is concerned, the only outstanding issue is Thorp's financial viability. A public consultation early this year concluded that its radioactive emissions would not pose a significant threat to health or the environment. *But in going through* a further round of consultations, the government has acknowledged the concern that pressing ahead with Thorp could land the UK taxpayer with a larger bill than stopping the project now.

Dry storage

Since the government approved Thorp's construction in 1977, the arguments for reprocessing used nuclear fuel rods have diminished. The alternative of "dry storage" – containing the waste without further treatment – may now be cheaper. Scottish Nuclear, one of Thorp's UK customers, wants to switch to dry storage for part of its waste, arguing that it could save millions of pounds a year. Thorp's critics have questioned whether BNF's overseas customers, notably the Japanese and German utilities, might make the same choice.

BNF says not. At the start of the second consultation, it published projections claiming that the UK would lose at least £900m by abandoning Thorp and switching to dry storage. Foreign customers were not only keen for Thorp to start, but were locked in with tight penalty clauses, it argued.

BNF's case is plausible. However, it assumes that customers abide by the letter of their contracts with BNF throughout the plant's life. The real risk, Thorp's critics say, is that some foreign customers might pull out and contest their obligation to pay compensation, leaving the plant running below capacity.

Shortcoming

The consultation's most serious *shortcoming is* that the government has not commissioned any independent audit of BNF's projections. Nor has it produced its own estimates of the costs of dry storage, or a clear assessment of the implications of the Thorp decision for UK electricity bills.

Those sums might well come out in Thorp's favour – but if they have been done, they have not been made public. It is known that the Treasury has examined the figures, but given its record in projecting nuclear costs – it has consistently underestimated the costs of building and decommissioning nuclear reactors – that is insufficiently comforting.

Before any announcement on Thorp, it is essential that government reflects carefully upon these points. Ministers will be right to weigh carefully the difficulties of abandoning a plant on which £2.8bn *has* already been spent, particularly since to do so would involve breaking commitments to Japan and Germany and would weaken, perhaps fatally, BNF, which is a British high technology company with *some potential*. Moreover, to concede a further public inquiry would play into the hands of protestors like Greenpeace, whose aim is not just to stop Thorp, but to obliterate the UK nuclear power industry.

If the government remains minded to let Thorp start work, it is essential that ministers provide a full and rigorous validation of the economic case for doing so. The history of nuclear power in the UK contains some of the government's most expensive industrial mistakes, all of them based upon inadequate analysis of costs. As Britain's nuclear industry looks forward to its next, important stage of development, possibly to include another attempt at privatisation, the last thing it needs is an inadequately verified decision in favour of Thorp.

Russia and its neighbours

When President Boris Yeltsin suggested, earlier this year, that the UN should grant Russia "special powers" to guarantee peace and stability in the former Soviet Union, he got a frosty reception outside his own country. Since then, public debate in the west has focused on Russia's internal affairs. Is Mr Yeltsin a democrat? What are the chances of real economic reform? These have been the central preoccupations of both analysts and decision-makers.

No doubt that is correct. In the long run a democratic, market-oriented Russia would be a far more congenial and constructive member of the much-touted "international community" than one that relapsed into dictatorship and state control. But that does not mean foreign policy is perfect so long as Mr Yeltsin remains in power, still less that western governments should ignore it. Indeed, they are now being invited to take an interest in it by the Russian foreign minister, Mr Andrei Kozyrev, who has revived Mr Yeltsin's proposal in more diplomatic language.

Instability

Mr Kozyrev points out that many of Russia's southern neighbours are wracked by internal conflicts and two (Armenia and Azerbaijan) are at war with each other. Russia, he says, cannot ignore such widespread instability on its borders, or its effect on the 25m ethnic Russians who now live as minorities in non-Russian states. Russia is blamed for not paying its share of the cost of peacekeeping operations *elsewhere* in the world, while other powers, already stretched and baffled by Bosnia and Somalia, are clearly reluctant to do much about similar problems in the former Soviet Union. There Russia, joined sometimes by other members of the Commonwealth of Independent States, is willing to do the job, but looks to the UN for political and financial support. And, Mr Kozyrev concludes in a seductive *sotto voce*, his own ministry would specially welcome UN involvement, as a way of strengthening civilian control over the Russian forces deployed.

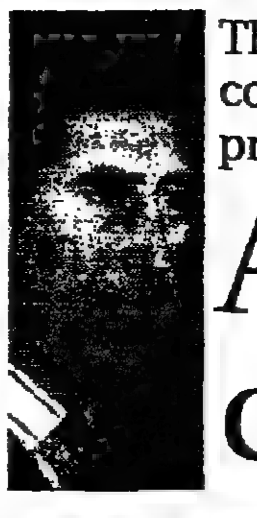
The worst way for western governments to react to these overtures would be to ignore them. That would convince Russians that the west was washing its hands of the region, and effectively giving them *carte blanche* to solve its problems on their own as best they can. On the contrary, the west should welcome the chance to monitor, and indeed to influence, Russian behaviour in the region. Official observers, whether from the UN or from the Conference on Security and Co-operation in Europe (CSCE), could be a useful instrument for this.

Acceptable role

But if such organisations are to be involved, their members must make it very clear what they regard as an acceptable role for Russia, and what they do not. Where Russia is able and willing to play a genuinely impartial peacekeeping role there may be a case for setting off the cost against its UN arrears, which it is anyway unlikely to pay. But it would be grotesquely misleading to describe units such as the 14th army in Moldova or the 201st rifle division in Tajikistan as "peacekeeping forces". The former is the main armed force of the breakaway Transdniestrian region, while the latter is propping up a regime run by veteran communists and guarding the frontier against its opponents, who have fled into Afghanistan and are being radicalised into anti-Russian *Islamic militants*.

Russia must be expected to assert its interests in a region of obvious strategic importance to it. But it should not be encouraged to do so by deploying military force *in the* guise of an "impartial" peacekeeper. Nor should it be recognised as protector of all ethnic Russians, still less of all Russian-speakers, outside its borders.

The ethnic composition of virtu*ally all* the ex-Soviet republics, and most conspicuously of Russia itself, requires all governments in the region to be very sensitive in their treatment of minorities. Where external help is required with this it should be provided on a multilateral basis, notably through the CSCE's High Commissioner on National Minorities, Mr Max van der Stoel, rather than by ethnic "kin-states" whose intervention is more likely to exacerbate such tensions than to allay them.



The heir to the British throne believes he could be used more effectively in promoting UK plc, writes **Michael Cassell**

A prince captured

Her Majesty's ambassador to Saudi Arabia, Mr David Gore-Booth, paced the marbled floor of Jeddah Hamra palace in shock: "That was incredible, astonishing, unprecedented."

It was well after 2am and King Fahd, Custodian of the two Holy Mosques and head of the House of Saud, had just left in one of his favourite, old Mercedes limousines after lengthy talks with Prince Charles, heir to the British throne.

The king had already turned convention and protocol on its head with his last-minute decision to meet the prince on his arrival from Riyadh. The conversation, lubricated with glasses of carrot and kiwi fruit juice, began with the inevitable pleasantries about families and ambassadors but quickly moved up a gear.

Shortly before his recent, week-long trip to the Middle East, Prince Charles had publicly attacked the regime of Saddam Hussein and called for closer understanding between the world of Islam and the west. He was highly tickled by reports that his words had triggered a fall in the Iraqi dinar.

King Fahd, the first of his many Middle East hosts, was appreciative of the speech, expressing unqualified admiration and respect for his visitor. Mr Gore-Booth is not a man to wear his emotions on his sleeve. *But the ambassador, casting diplomatic* restraint into the hot, night air, was gob-smacked.

King Fahd's message of gratitude was to be repeated *ad infinitum* as the prince – no longer part of the world's most famous royal double-act – progressed across a region where royalty still counts. Here, royal families not only dispense patronage but award commercial contracts carrying billion-dollar tags; here a British prince can pack the sort of punch which often eludes him at home.

His arrival in Saudi Arabia set the tone for a hectic tour of duty run at a ridiculous pace. But despite the flag-waving and flummery which enveloped the royal visit, there was a serious sub-plot. Prince Charles had come to bat for Britain.

Increasingly, his trips abroad are being carefully constructed to maximise commercial spin-off for British *companies. According to one of* the prince's team: "Their function has changed; he is not wheeled out as a zoo exhibit."

The prince himself is not worried that his unique position is being used to help trade, hoping instead that it "filters down to benefit our own companies". Indeed, he believes he is under-exploited and is desperately keen for Whitehall to do something about it. He was bemused because there had been a row over the availability of the VC10 for the Middle East trip. A minor, inter-departmental skirmish maybe, but he believes it demonstrated the low priority given by Whitehall to such visits.

The prince has already made one behind-the-scenes attempt to enlist the help of government in devising a co-ordinated strategy for using him and his foreign excursions to best effect in selling Britain.

An invitation eight years ago from Kensington Palace to representatives of ministries and trade bodies to consider the issue came to nothing. It floundered, he believes, in an atmosphere of national short-termism which he thinks still persists, and on the inability of government to orchestrate initiatives across departments.

"Things can be properly co-ordinated in Wales and Scotland because each has only one secretary of state. Why can't it be done for the nation as a whole?" he inquires.

Now that ministers, particularly in the Department of Trade and Industry, have given exports a high political priority, the prince's office wants to try again to build more effective links with government departments to maximise the value of royal missions. One aide says: "Parts of Whitehall still see royal *visits in an anachronistic* way. A certain amount of re-education is required and is under way."

It is impossible to evaluate the commercial contribution of a 45-year-old trainee head of state who cannot return home with signed contracts in a crested briefcase. But, merely by virtue of who he is, he can forge personal relationships which can lead to commercial alliances. As another member of his inner-circle puts it: "He can cut ribbons and unveil any number of plaques. But much more importantly, he can open doors."

The prince is the first to acknowledge the difficulty in assessing his value in this respect. On his visits abroad, he says he wants to develop his role as "a cultural and commercial emissary", acting on behalf of a country for which he cares deeply *but which he believes often under*sells itself. He regularly alludes to the way some of Britain's European competitors beat their own drums more effectively than UK plc.

His influence is now felt overseas through organisations such as the business leaders' forum, the newest of his business-led charities which is aimed at getting British companies to help the development of emerging economies. In spite of the endless suggestions that the heir to the throne is emerging from his own *annus horribilis* to search a newly-defined role, he insists it has never changed. Whether his value is perceived to be as great elsewhere, given his recent personal traumas, remains open to question.

"The idea I am searching to redefine my job is rot. It is just that, since the day I got married, people have chosen to ignore the things I continue to do day in and day out."

The Prince of Wales has been starring in what he concedes has been a "soap opera", from which, so far, it has been impossible to escape. His eyebrows rise in exasperation at the alternative, tabloid agenda which usually choses to neglect his best endeavours in favour of what he sees as irrelevant, sometimes malicious trivia.

None of this may cut much ice with those who believe the royal family is an expensive irrelevance whose time has past. The critics' convictions will only have been reinforced by the distractions of the past few years.

In Kuwait, the prince's men were again forced on to the defensive, trying to keep newspaper reporters away from excited, expatriate schoolchildren in case journalists fed them loaded questions to embarrass their special visitor. Later, *there was despair at newspaper sto*ries claiming the prince had made a "gaffe" by talking to a French Mirage pilot at the Dubai air show. British princes, it seems, are only supposed to talk to British companies. Prince Charles now hopes, perhaps in vain, that he can begin to refocus public attention on his serious role and on a broad range of issues – such as inner cities and architecture. The growing personal support team which operates from roomy offices overlooking Ambassador's Court at St James' share his objectives. Those closest to him say he is "a driven man", determined to fulfil a role which has never been written down and which he has largely created for himself. His determined sense of purpose sometimes provokes an ill-tempered outburst against those who might see things differently.

Paintings by Toby Ward, Prince Charles's travelling artist: the prince with Saudi Arabia's Crown Prince Abdullah (top); and arriving in Jubail

'He can cut ribbons and unveil any number of plaques. But much more importantly, he can open doors'

In spite of the pressures, he is healthy, despite a nagging, polo-induced back injury which has left him with an uneasy gait. He needs little sleep, though the contemplative calm of a church service in Kuwait brought on obstinately heavy eyelids which threatened to *hand the tabloids another* headline. Before returning to London, he stole a few, private hours in the sunshine at King Hussein's seaside palace in Aqaba, most of them spent ploughing through the pile of official papers at his side. Such commitment, he pleads, would not be shared by the sort of international playboy he could have been.

There was no time for play as the prince criss-crossed Saudi Arabia and the United Arab Emirates, taking coffee and sweetmeats with kings, crown princes and prime ministers. Whatever the cynics might say, the British companies he called on last week were in no doubt that the visit was worth the prince's weight in riyals.

Mr Peter Marshall, managing director of John Brown Engineering, was among the royal visitor's hosts when he called in on the £120m Ibn Zahr plastics plant project at Jubail, in Saudi Arabia's eastern province.

Did it help? "Are you kidding? You can't put a value on his visit. It brought together some very influential people and helped reinforce the idea of British commitment to the region." Mr Marshall will shortly return to Jubail, where he is told the visit has helped to create the right climate to carry forward negotiations on another £110m project.

On the other side of the kingdom, *in Jeddah, Mr Patrick Arnold*, chairman of the local British businessmen's group gave the same message: "Competition here is tough. But there is a lot of pro-British sentiment and this visit is a tremen*dous confidence booster for UK* companies."

British ambassadors, who once might have measured the success of such a royal visit by the size of their cocktail parties, believe the prince's commercial value is exceptional. Mr William Fullerton, the Foreign Office's man in Kuwait, says there have been three recent trade missions from the UK and that the prince's visit will mean continuing goodwill towards visiting groups. The prince's Arab hosts think likewise. Dr Jasim Mohhamed Alansani, *commercial director* for the development of the industrial city of Jubail, says: "The prince's visit will directly help British companies in their fight for work."

Despite such endorsements, the *team at St James' believes that* much more can be done. The prince's latest visit, for example, proved immensely more effective because of his earlier speech.

He cannot always have on hand a *weighty address relevant to the* interests of his hosts, but the idea of more thoroughly preparing the ground, perhaps through linked ministerial visits, is one to be more fully explored. Another way of *heightening the impact of his trips* could be to orchestrate immediate follow-up business missions able to exploit the warm glow left in the wake of royalty.

There is in place a system to help devise and plan missions for members of the royal family, overseen by the royal visits committee, chaired by Sir Robin Butler, cabinet secretary. The For*eign Office*, which picks up the bills for overseas royal visits but which gives such expenditure low priority, plays a pivotal role in drawing up an annual programme and advising on who goes where.

The DTI, *which has tiny* resources, also plays a part. Its UK-based market intelligence operation provides pre-trip briefings and, for the prince's Gulf trip, helped organise a seminar in Saudi Arabia on energy and the environment.

But Gen Sir Peter de la Billière, commander of British forces during the Gulf war, who accompanied the prince around the region, believes – like others in the Royal circle – that a more all-encompassing, strategic approach designed to make the best of a very British asset is needed.

Sir Peter, a director of Flemings, the London-based merchant bank which has built a permanent presence in the region, is clear about *the prince's special value: "There* are some very heavy-hitters in the business world out here, particularly the Americans. Royalty can provide a very effective counterweight to that sort of approach."

There was no doubt that *Prince* Charles had a magnetic effect on his royal hosts during his visit. But that reaction is highly unlikely to be repeated so easily when he meets a more cynical public in republican-leaning Australia in January. The commercial benefits there may be a lot more elusive.

In Saudi Arabia and the Emirates, cavalcades of limousines conveyed guests to the gangway of Her Majesty's yacht Britannia, where they were entertained to a modest dinner devised as a simple antidote to the excesses of the banquets on shore.

As the Royal Marines played selections from Smetana and Strauss, British businessmen chatted with royalty, politicians and their own counterparts from the world of commerce.

Britannia is five years younger than the prince and, with nearly 1m miles on the clock, its future is at the mercy of a Whitehall machine which doubts its value and needs to cut costs. Now, perhaps too late, the vessel is increasingly being made available for commercial use – last week it was at the centre of Indo-British week in Bombay. Back in Abu Dhabi, as dinner on board ended and guests prepared to watch the marines "beating the retreat", an astonished Arab guest learned of the yacht's uncertain future.

*Sheikh Khalifa Muhairy, chair*man of the Abu Dhabi Investment Authority, was incredulous. "You are mad. It is a unique advertisement for your country. How can its future be in doubt?"

If the *Prince of Wales* had overheard the question being asked of the 400ft yacht, he might have been forgiven for thinking it had been directed at the House of Windsor itself.

OBSERVER

Apec in c minor

■ One of the most delicate issues facing the delegates from 17 Pacific *Rim countries who have been* meeting in Seattle was what to call their high-level pow-wow.

The formal title, Asia-Pacific Economic Co-operation, is a clumsy mouthful that Gareth Evans, Australia's foreign minister and one of the early promoters of the Apec grouping, describes with only partial grammatical correctness as "four adjectives in search of a noun." US secretary of state Warren Christopher called it Opec, while President Bill Clinton preferred Asia-Pacific Economic Council.

Australia's Mr Evans believes it is only a matter of time before Apec moves to "three adjectives and a noun: Asia-Pacific Economic Community." But the word "community" has ruffled many Asian feathers.

Ms Rafidah Aziz, Malaysia's minister for international trade and industry, said the group was already a "community with a small c", but that she had no desire to capitalise the word.

Fred Bergsten, the US economist in charge of a group of eminent persons drafting a vision for Apec's future, then had to convince Apec ministers that although his group's report spelt Community with a capital C, it was not proposing the creation of another European Community.

Macleod's day

■ *Meanwhile it did not take long* to spot the odd man out at the summit. Hamish Macleod, a 53-year-old Scottish civil servant, can scarcely have expected to be rubbing shoulders so informally with the leaders of 40 per cent of the world's population when he was appointed to be Hong Kong's financial secretary.

However as all three Chinas – China, Taiwan and Hong Kong – are members of Apec it was politic only for one to send its head of government. So Macleod, a mild-mannered St Andrews graduate who has worked his way up the Hong Kong government since joining as an administrative officer in 1966, was sent as Hong Kong's "economic leader".

What Jiang Zemin, China's president, thought of having Macleod sitting next to him in all the meetings is not recorded.

Gone fishing

■ So now we know what Sir Derek Alun-Jones, the deposed boss of troubled Ferranti, did with part of his near £500,000 golden handshake. The Independent on Sunday reports that he spent £22,000 on acquiring Ferranti's share of the fishing rights on a stretch of the river Test in Hampshire. The rights had been bought when Alun-Jones was running Ferranti and it could afford to entertain wealthy overseas clients in style.

He seems to have struck a good deal paying roughly half what Ferranti paid for the stake. However, his former employer denies any special favours and says that the decline in price was due to a combination of the recession, a drought and the fact that the other owners had the right of veto over any purchaser.

"The demise of the Soviet Union, the fall of Thatcher, the end of apartheid – Nostradamus failed to predict any of them"

Tribal warfare

■ The Economist, redoubtable weekly magazine that it is, always adopts a lofty tone in its leader columns, dismissing with great vigour any idea it finds absurd.

So it cannot complain too much if it occasionally gets the same sort of treatment itself. Take last Friday's outburst by ex-prime minister Sir Edward Heath at a conference in Luxembourg. Sir Edward dismissed John Major's recent European vision article in The Economist as "ghastly", and then complained that the magazine had not allowed him to write a serious rejoinder.

But presumably that request was only a jest, since he ended by dismissing the mag as "not read at all in Britain, sparsely read in Europe, and mainly a coffee table paper in America".

Buying time

■ Saatchi & Saatchi, which has brushed up the image of everyone from Boris Yeltsin to Britain's Conservative party, is not one to duck tough assignments. So it is perhaps not surprising that the latest – and perhaps oddest – political figure who may seek its help is former Nigerian president General Ibrahim Babangida.

Babangida stood down in August after eight years in charge, but at 52 he seems too young for *permanent retirement*. He now lives in some splendour in his home town of Minna, but his aspirations for statesmanship appear to be resurging, now that his erstwhile right hand man, General Sani Abacha has got rid of the interim government, led by civilians but backed by the military.

Word is that Babangida may be prepared to pay handsomely for the top-notch marketing advice available from the likes of Saatchi, to smooth the path for a possible comeback when elections are held in a few years' time.

Back to basics

■ A terrifying new professional standard is being proposed for Britain's bean-counters by the Auditing Practices Board. SAS 210 pronounces that auditors must get to know the business they examine sufficiently well to understand the practices that might have a significant effect on the financial statements. It seems that there has been no such standard in the UK up till now. No wonder all these companies keep collapsing without a peep from the auditors.

FINANCIAL TIMES
Monday November 22 1993

Nigerian report urges an inquiry into 'leakage' of state funds

By Michael Holman, Africa Editor, in London

A confidential report for Nigeria's deposed civilian leader attacks widespread leakages in state funds and urges an investigation into $1.5bn of oil receipts paid into special project accounts in the first half of this year.

The report also reveals that the mid-year limit for this year's national budget has been overshot, with the deficit reaching N26bn ($540m), far in excess of the N15.6bn target and little short of the N31.1bn deficit approved for the full 12 months. It also warns of "huge" defence ministry debts.

The disclosures come as Britain and its Western European Union partners meet in Luxembourg today to consider sanctions against Nigeria's new military government.

The 60-page document, "Final Report of the Budget Monitoring Committee", was commissioned earlier this year by Chief Ernest Shonekan, civilian leader of the military-backed interim government. He was forced to resign last week by General Sani Abacha, the defence minister who is now the new head of state.

The report, handed over to Mr Shonekan on August 24, criticises "leakages" of state funds, condemns unviable multi-billion dollar projects, and shows up a legacy of mismanagement and uncontrolled state spending under Gen Ibrahim Babangida, who stepped down last August after seizing power in 1985.

Western diplomats and aid officials, who gave access to the report, say that the committee's efforts to make government spending more transparent and to ensure independent audit of the operations of the state-owned Nigerian National Petroleum Corporation (NNPC) were largely frustrated by the country's generals.

The military feared exposure of the corruption that pervades the political system, they said.

In the first half of this year, says the report, oil sales worth "a total sum of $1.537bn was paid into various dedicated accounts". The committee complains that it "was unable to have access to detailed information on the operation of these accounts", set up under Gen Babangida to meet the foreign exchange costs of projects such as a proposed liquefied natural gas plant.

The committee advocates "a clearly defined reporting process" for revenue earning agencies, "particularly" for the NNPC "so that the reason for the large shortfalls in revenue" in the first half of the year "can be identified and leakages blocked".

The report expresses concern about "non-payment of revenue of N1.1bn expected from the sale of domestic crude oil lifted and refined by NNPC for local consumption" in the first six months of this year. The non-payment "should be tackled with all the seriousness it deserves", says the committee.

The report notes that the ministry of defence has "accumulated huge debts which government is not in a financial position to honour at the moment" and criticises the "considerable cost of keeping procured weapons in warehouses abroad".

Western military attachés say that the army has made substantial purchases of weaponry abroad, much of it unnecessary or inappropriate, while failing to maintain existing equipment. A western commercial attaché with first-hand knowledge has said that "commissions" to middlemen ranged from 20 to 40 per cent of the contract.

● Nigeria's military government has reduced last week's increase in the petrol price from N5 to N3.25 a litre in a deal with labour unions which ends the week-long general strike.

Europe-wide spending curbs put pressure on pharmaceuticals groups

Drug sales hit by government reforms

By Paul Abrahams in London

Drug sales in Europe have stagnated in the wake of government reforms aimed at curbing spending on pharmaceuticals in Germany, Italy and the UK.

Sales in pharmacies in the seven biggest European markets, which together form the world's biggest drugs market, were static at constant exchange rates during the first nine months of this year, according to IMS International, the market research group.

In dollar terms they declined from $38.4bn during the first three quarters of 1992 to $34bn during the same period this year.

Further reforms to limit pharmaceuticals spending, recently announced in Spain and Portugal, will add to the pressure on sales. France is also expected to reveal a new drug-pricing scheme later this month.

Pharmaceuticals companies are also struggling with sluggish growth in the US, the world's biggest single market. This grew only 4 per cent from $31.9bn to $33.2bn. Sales have been held back by the growing power of bulk purchasers of health capable of negotiating ever greater discounts.

The Japanese market, the world's second-largest single market, rose 13 per cent in yen terms, up from $11.3bn to $14.6bn. However, a 7 per cent price cut is expected to be introduced next year by the ministry of health and welfare.

The slowdown in Europe was mostly the result of a collapse in sales in Germany, the largest single market in Europe.

Sales in Germany dropped from $10.9bn to $9.3bn, a fall of 10 per cent at constant exchange rates. The Italian market declined from $8.4bn to $6.2bn, a drop of 3 per cent excluding currencies.

Drugs sales, excluding exchange rates, increased in five of the seven largest European markets. However, growth in France, the UK, Spain, the Netherlands and Belgium was not enough to offset the decline in Germany and Italy.

Prince of Wales sees lack of official UK support on tours

By Michael Cassell, Business Correspondent, in London

Prince Charles: time to refocus

The Prince of Wales is frustrated at what he sees as lack of support from some powerful government departments for royal visits abroad which could help secure business for Britain.

The prince wants more support for his role as a commercial and cultural ambassador for Britain when he goes abroad as part of his role as heir to the throne.

The prince's frustration emerged during his recent tour of the Middle East when he visited projects involving British companies in Saudi Arabia, the United Arab Emirates and Kuwait. A Financial Times correspondent travelled with the Prince and was given full access as he met the Gulf rulers, government and business leaders.

The prince has previously tried inviting UK government departments to co-ordinate a more strategic approach to getting the most out of his visits abroad, but with little success.

Fresh attempts are now being made by the prince's private office to improve links with Whitehall, most particularly with the DTI, which has itself embarked on an ambitious programme to help boost British exports.

After years of public obsession with his marriage to the Princess of Wales, Prince Charles wants to refocus attention on his serious role as heir to the throne.

His separation from the princess last year came at a time when the role of the Royal Family in Britain and its use of taxpayers' funds to support its public duties have come under increasing scrutiny.

Prince Charles feels that senior officials have underestimated the potential commercial benefits for UK companies fighting for work in tough foreign markets from his role as a royal envoy.

According to one of his inner circle: "Parts of Whitehall still see royal visits in an anachronistic way. A certain amount of re-education is required and is under way."

Where royalty still counts, Page 13

Egypt-Israel grids link

Continued from Page 1

regional power grid as soon as there is a more comprehensive Mideast peace agreement.

Under the potential gas supply deal, Mr Shahal said a pipeline would be built from the Egyptian Nile Delta to Israel, passing through the Gaza Strip, which could also be supplied with Egyptian gas. Israel hopes to agree a supply contract under which Egypt would pipe up to 2m tonnes of natural gas annually for 25 years, mainly to Israeli power plants.

The $1bn project may be funded in part by the EU. An international energy company, approved by both Egyptian and Israeli energy ministries, will undertake a study.

Egypt has said it has insufficient natural gas to export, but potential discoveries might provide the necessary reserves.

Mr Shahal also said that, in future, payments for Egyptian petroleum would be made through an Israeli commercial bank.

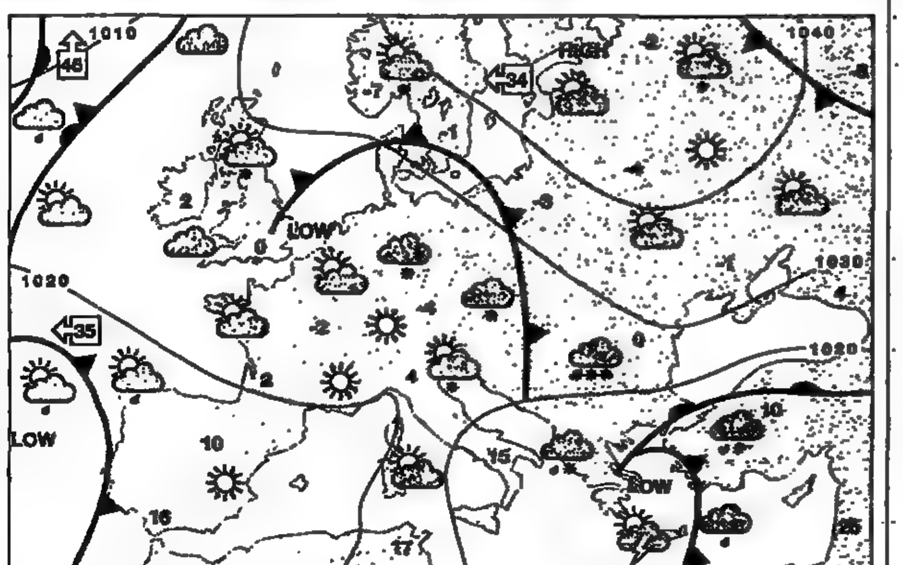
FT WORLD WEATHER

Europe today

The early winter conditions will keep a firm grip on Europe. Unseasonably cold and sometimes record low temperatures affect a large area. Temperatures will not exceed freezing north of Spain and Bulgaria. During the night, a moderate frost is expected in the North Sea regions. the lower Alpine sections and the northern Balkans while even colder air spreads from the CIS and Scandinavia across Poland and Germany to northern France. Widespread snow is expected from the Balkans to southern Scandinavia, with snow accumulating to 5-12 cms in Poland, Austria and central Germany. Cloud in the Low Countries and British coastal regions will give light snow flurries. A surge of warm air off the Mediterranean will enter south-eastern Europe bringing rain and thundery showers to Greece and southern Turkey and snow further north.

Five-day forecast

Wintry conditions will persist in most regions, but temperatures will slowly rise during the week. Still, very cold air will reach Scotland and Ireland tomorrow, possibly bringing record low temperatures. Snow will fall in the Low Countries, southern Scandinavia and north-western France.



Situation at 12 GMT. Temperatures maximum for day. Forecasts by Meteo Consult of the Netherlands

TODAY'S TEMPERATURES

		Maximum Celsius												
			Belfast	cloudy	2	Cardiff	cloudy	0	Frankfurt	fair	-1	Malta	cloudy	18	Rio	fair	28
			Belgrade	snow	1	Chicago	fair	11	Geneva	cloudy	0	Manchester	cloudy	1	Riyadh	sun	27
Abu Dhabi	sun	29	Berlin	snow	-2	Cologne	fair	-1	Gibraltar	fair	16	Manila	cloudy	31	Rome	fair	13
Accra	fair	25	Bermuda	fair	26	D' Salaam	fair	31	Glasgow	cloudy	1	Melbourne	fair	12	S. Frsco	shower	11
Algiers	sun	19	Bogota	cloudy	19	Dakar	fair	26	Hamburg	fair	-3	Mexico City	fair	21	Seoul	rain	4
Amsterdam	cloudy	-4	Bombay	sun	33	Dallas	sun	21	Helsinki	fair	-5	Miami	thund	26	Singapore	cloudy	31
Athens	rain	19	Brussels	cloudy	-5	Delhi	sun	26	Hong Kong	fair	24	Milan	sun	4	Stockholm	snow	-1
B. Aires	fair	20	Budapest	snow	0	Dubai	sun	30	Honolulu	fair	28	Montreal	fair	10	Strasbourg	fair	-5
B.ham	cloudy	-1	C.hagen	snow	2	Dublin	cloudy	3	Istanbul	rain	14	Moscow	fair	-2	Sydney	fair	[illegible]
Bangkok	cloudy	35	Cairo	fair	28	Dubrovnik	cloudy	14	Jersey	shower	3	Munich	sun	-5	Tangier	shower	17
Barcelona	fair	13	Cape Town	fair	18	Edinburgh	cloudy	2	Karachi	sun	31	Nairobi	shower	25	Tel Aviv	sun	26
Beijing	fair	2	Caracas	cloudy	30	Faro	rain	18	Kuwait	sun	27	Naples	fair	14	Tokyo	fair	12
									L. Angeles	shower	19	Nassau	fair	29	Toronto	fair	11
									Las Palmas	drzzl	22	New York	sun	13	Tunis	sun	17
									Lima	fair	24	Nice	fair	12	Vancouver	fair	1
									Lisbon	rain	13	Nicosia	fair	16	Venice	cloudy	5
									London	cloudy	0	Oslo	snow	-1	Vienna	snow	0
									Lux.bourg	fair	-5	Paris	fair	-2	Warsaw	snow	-3
									Lyon	fair	1	Perth	fair	27	Washington	sun	15
									Madeira	rain	18	Prague	snow	-4	Wellington	fair	14
									Madrid	fair	9	Rangoon	fair	34	Winnipeg	snow	-19
									Majorca	sun	16	Reykjavik	rain	5	Zurich	fair	[illegible]

THE LEX COLUMN

A taste for Guinness

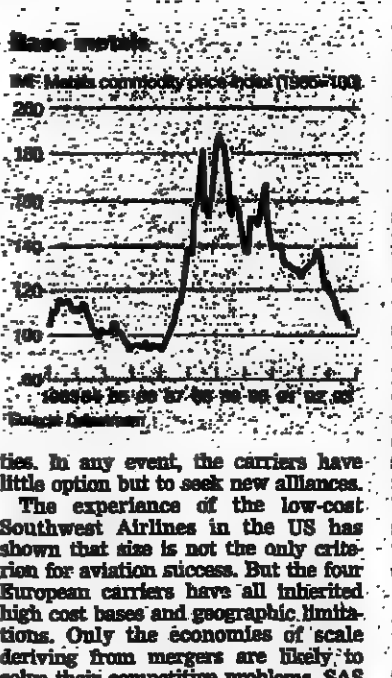
There has been something of a turnround in City sentiment towards Guinness, whose shares have risen by 13 per cent from last month's trough. Part of the reason is the more robust message coming from management. First came the shake-up at the top of its spirits division, though that can only be judged when a replacement is found for Mr Crispin Davis, its former chief. Guinness has also made a concerted effort to reassure the market about the durability and usefulness of its links with LVMH. Last week's sale by LVMH of its Roc beauty products division will further calm fears that it might sell its 24 per cent stake in Guinness to raise cash. It would have to be foolish – or desperate – to do so at this stage of the cycle anyway.

Perhaps more important is the way Guinness is tweaking its message about brands. There is less talk now about trading up in scotch, and more about securing market share by demonstrating the inherent value rather than the mere status appeal of its brands. That applies even at the lower end, which Guinness has neglected in the past. Guinness may thus derive premium value for its brands across the price spectrum in a way that is less dependent on a tendency to trade up. In beer, Guinness is pushing its stout brand in a way that seems consciously designed to distract from the continuing embarrassment of its foray into the Spanish domestic lager market.

No doubt this new formulation of its strategy appeals because it corresponds better to the drinks market reality. Guinness is adamant that it is not in the business of discounting. Nor is it simply living in the hope that its customers will soon begin to trade up again. A better-defined sense of purpose may have stopped the short-term rot in its share price. It will still be a long while, though, before that translates into a significant recovery of profits.

Alcazar

It was always going to be tough getting Alcazar off the ground, given the complexities of negotiating between four airlines, six governments and a host of trade unions. But after compromising over so much, it seems odd the merger should come juddering to a halt over the seemingly innocuous issue of which US airline partner to choose. That suggests the principle of the merger itself may have become an issue, rather than just the practicalities. In any event, the carriers have little option but to seek new alliances.



Base metals

IMF Metals commodity price index (1980=100)

The experience of the low-cost Southwest Airlines in the US has shown that size is not the only criterion for aviation success. But the four European carriers have all inherited high cost bases and geographic limitations. Only the economies of scale deriving from mergers are likely to solve their competitive problems. SAS appears in most urgent need of an alternative. A restructured deal with KLM must remain possible.

The big three European airlines, however, will be quietly chuckling at their smaller rivals' difficulties. British Airways will press ahead in Europe through TAT and Deutsche BA. Air France can keep trying to defy economic gravity a little longer. But the biggest beneficiary of Alcazar's failure could be Lufthansa. Austrian Airlines now seems likely to succumb to its advances. And, despite its existing links with Delta and Singapore Airlines, Swissair may also find it hard to resist being drawn into its orbit.

Metals

The launch of Mercury Asset Management's mining trust this week will provide investors with a useful diversity of risk. RTZ stands alone among top-notch UK mining companies, and the trust will invest worldwide. Whether it is worth digging deep to invest in mining shares at this stage of the cycle is less clear. Base metals prices are at historic lows in real terms - so it is tempting to call the turn. Demand for metals should improve through 1994 as economies pull out of recession. The snag is that high stocks and cheap exports, notably from the Commonwealth of Independent States, leave metals markets with plenty of slack.

Past experience suggests stocks in aluminium and nickel will have to halve before prices show real recovery. Stock levels will only fall slowly unless production is cut. There are some signs of action on that front. US aluminium producers have cut 700,000 tonnes capacity in the last 16 months. Yet exports from the CIS have risen twice that amount since prices started to slide. Russian aluminium smelters and nickel producers will be unwilling to turn off the tap. While most big tin producers recently agreed to restrict exports, it is not clear China will do so. There is always a chance that demand within Russia will revive and soak up more local production. But that cannot be taken for granted. While the slide in metals prices leaves scope for dramatic improvement, the timing of recovery looks anything but copper-bottomed.

Hong Kong

For a stock market which has risen 70 per cent this year, Hong Kong is not easily unsettled. Morgan Stanley's advice that its clients should scale back exposure to Hong Kong equities might have been expected to jangle nerves. The flight of US institutional investors from low interest rates at home has contributed heavily to the market's remarkable run. With shares trading on a multiple of around 15 times next year's forecast earnings – against a normal trading range of up to 12.5 times – it is hard to quibble with the judgment that the Hang Seng index is fully valued.

But the US is not the market's only source of liquidity. Japanese investors have joined the buying party since the summer. With the local economy booming, Hong Kong itself is hardly strapped for cash. Anecdotal evidence suggests local investors have pulled back from the more extravagantly priced stocks. Some of that cash is likely to be reinvested, perhaps in second-line shares. That should provide support even if US investors now temper their enthusiasm.

Still, Hong Kong will find it more difficult to shrug off bad news from here on. China remains both an enticing prospect and a possible source of nasty shocks, both political and economic. While Beijing's credit squeeze now appears to be easing, that may only postpone the day when resolute action is required to curb an overheating economy.

FINANCIAL TIMES
COMPANIES & MARKETS
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Monday November 22 1993

Middleton in final plea for Merrett

By Richard Lapper in London

Mr Peter Middleton, chief executive of Lloyd's of London, will today make a last-ditch effort to persuade Lloyd's agents to increase their backing for syndicates managed by the Merrett Underwriting Agency Management.

Fears are growing that failure could lead to the break-up of the wider Merrett Group, which also owns insurance services interests.

Lloyd's has become involved because Merrett's two biggest syndicates 418 and 1067 lead some of the market's most valuable US insurance business and are unlikely to continue trading next year without support.

The Merrett's syndicates' difficulties have increased by the collapse of plans last week to secure support from Travelers, the US insurance company.

Members' agents (who handle the affairs of Names – the individuals whose assets have traditionally supported the market) are now said to be offering between £32m ($48m) and £33m in backing for syndicate 418, compared with the syndicate's current capacity of £150m and an estimated minimum requirement of £50m. Lloyd's could also be left with the job of organising the "run off" (meeting claims on existing policies) of any Merrett syndicates which are closed. Merrett is already handling the run-off of syndicate 418's 1985 and 1990 loss-making years. A spokesman said yesterday that Lloyd's "was concerned to ensure continuity for existing policyholders and that the interests of members are safeguarded".

A "steering group" consisting of Mr Middleton and other senior figures will co-ordinate the activities of the Lloyd's Corporation – which administers and regulates the market – and Lloyd's agents.

Mr Keeling replaced Mr Stephen Merrett, chairman of the Merrett Group, as deputy chairman of the Lloyd's market in August.

As well as 418 and 1067 the group had aimed to manage four other syndicates – 179, 332, 1038 and 1184 – next year.

They could now be transferred to other agencies, leaving the group dependent on its income from insurance services business including Miller Knight, the loss adjusters, BIL, an insurance investigations business, the Merrett Health Risk Management, and BCS, a specialist run-off company.

Meanwhile three Merrett executives who resigned on Friday are to join Zurich Re, the Swiss reinsurance company. Mr Dennis Purkiss, former group chief executive of Merrett, will become chief executive officer, while Mr Ken Barrett and Mr Stewart Laderman, underwriters of 1067 and 418's non-marine business respectively, will join the Zurich underwriting team.

Terry Kirk

Peter Middleton: wants Lloyd's agents to back Merrett syndicates

Forte may sell KFC stake

By Michael Skapinker, Leisure Industries Correspondent

Forte, the hotels and restaurants group, is believed to be close to an agreement to sell its stake in Kentucky Fried Chicken to Pepsico, its partner in the business.

Pepsico is expected to pay Forte about £40m ($59.6m) for its 50 per cent stake in the venture, which is responsible for 304 Kentucky Fried Chicken restaurants in the UK. Of these, 84 are directly owned by the Forte/Pepsico joint venture and 220 are franchised.

Forte has been keen to sell its stake for some time as part of its drive to concentrate on its core hotel and restaurants business.

Kentucky Fried Chicken has suffered from price competition from other fast food outlets. Forte does not provide separate figures for Kentucky Fried Chicken, but it said last September that the chain's sales fell in the six months to July 31 this year.

This was in contrast to the restaurants division as a whole, where profits grew by 18 per cent to £40m on sales up 15 per cent to £358m.

In addition to Kentucky Fried Chicken, Forte owns the Welcome Break, Happy Eater and Little Chef roadside restaurant chains.

Last December, it bought the Relais autoroute restaurant chain in France from Accor, the French hotel group.

Forte is believed to have had less luck finding a buyer for its Harvester restaurant chain which it put up for sale earlier this year.

The group had indicated that it hoped to sell the chain for more than £120m. It is believed, however, that offers received so far have been for £110m or less.

It is now thought to be holding out for a higher price.

● The Forte airport services division, which is to be floated early next year, will be called the Alpha Airports Group.

Mr Paul Harrison, managing director of the division, said: "The name Alpha was chosen because it signifies 'beginning' in Greek and is also appropriate, being the first letter of the aviators' alphabet."

Paul Betts explains why four European airlines abandoned the Alcazar project

Dream of freedom turns into a prison

Alcazar yesterday turned into Alcatraz for four European medium sized airlines. KLM Royal Dutch Airlines, Scandinavian Airlines System (SAS), Swissair and Austrian Airlines had attempted for the past seven months to merge their operations to create a "fourth force" in the European aviation industry to compete against the big three European airlines: British Airways, Lufthansa of Germany and Air France.

The four airlines picked on the name of Alcazar, the Spanish for a Moorish fortress, because their intent was to create a new fortress airline system in Europe to defend themselves against the increasing consolidation and globalisation of the European airline industry.

Until a few weeks ago, it seemed the four carriers were close to agreement. They managed to compromise on several complex issues including the valuation of assets, headquarters location for the new joint airline company and the joint management structure.

But at the end of the day it was the new partnership's American connection which transformed the ambitious venture into a prison which, like Alcatraz, was impossible to escape.

Mr Jan Carlzon, the former SAS president, warned two weeks ago that the choice of a US airline partner was "the only real large question that can still endanger Alcazar".

A partnership with a US carrier has become one of the critical aspects of any global alliance by a European carrier or group of airlines. But the problem for the Alcazar partners had been made all the more difficult because three of the carriers had already established ties with US airlines: KLM with Northwest, Swissair with Delta Air Lines and SAS with Continental.

Until yesterday, financial advisers to the four airlines felt that the US partnership issue was in many respects less complex than the other problems the carriers had managed to resolve over the past few months of hectic negotiations. Indeed, bankers had calculated that co-operation in Europe would account for most of the $1bn benefits the alliance was expected to provide with the US partner playing a relatively minor role.

'It boiled down to KLM versus the rest'

In the last few days, the issue appears to have been narrowed down to a simple choice with KLM insisting on its US partner, Northwest, while the other three airlines favoured a link with Delta, in which Swissair has a 5 per cent cross-equity stake.

"It boiled down to KLM versus the rest on the US partner issue," one source close to the negotiations said yesterday.

KLM, which owns a 20 per cent stake in Northwest's parent, Wings Holdings, argued that Northwest offered strategic advantages to Alcazar largely because of the recent US "open skies" deal with the Netherlands.

But Swissair said Northwest was too weak financially and its US network, based around its hubs of Minneapolis and Detroit, was considerably less attractive than Delta's deeper reach in the domestic US market.

KLM, however, was worried that Delta's main European hub at Frankfurt would rival the hubs of the Alcazar partners in Amsterdam, Zurich, Copenhagen and Vienna. But the other partners argued that Delta's strong presence in Frankfurt, rather than competing against their hubs, would enhance their position in Europe by strengthening their presence in the large German market. They also felt that if KLM got its way, the partnership would be heavily tilted in the Dutch airline's favour with Amsterdam ending up playing the dominant role in the alliance.

The collapse of Alcazar will now force the four airlines to reconsider their longer term plans.

KLM, which failed to form a partnership first with Sabena of Belgium and then with British Airways, has been cutting costs and believes it is now in a better position to face the competitive pressures of airline deregulation and globalisation than two years ago. The Dutch airline also believes it can buy some time to consider new partnerships because the pace of liberalisation in Europe appears to have slowed.

SAS has also restructured its top management and intends to pursue its cost-cutting drive to return to profitability. But without a strong international partnership, its longer-term future remains clouded.

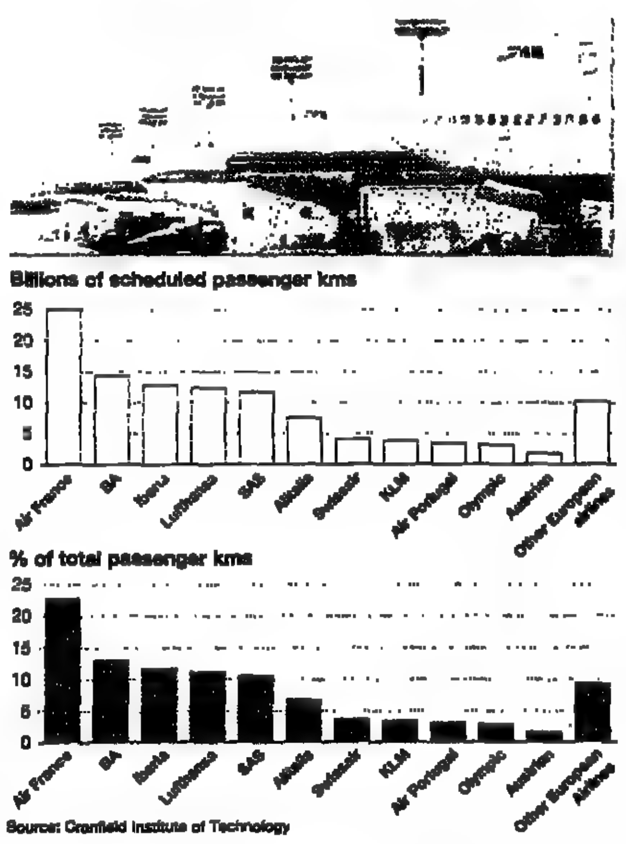
Swissair has already made it clear that will need a strong European partner. It already has links with Delta and Singapore Airlines, but the airline needs a big European alliance. Mr Hannes Goetz, Swissair's chairman, recently said if Alcazar failed, Swissair would have to consider a partnership with one of the three big European carriers: BA, Lufthansa or Air France.

As for Austrian, the smallest of the four, it has already held talks with Lufthansa and has not ruled out an alliance with Swissair.

The collapse of Alcazar in no manner suggests a reversal in the current trend of consolidation in the European airline industry.

If it had succeeded, the top six airline groups in Europe would have controlled almost 85 per cent of European airline traffic. But as Professor Rigas Doganis, of Cranfield Institute of Technology, recently put it: "If it does not, another grouping will emerge. The consequences will be the same."

European airline passenger market



Source: Cranfield Institute of Technology

The Markets this week:

Starting on page 17

PETER MARTIN:
GLOBAL INVESTOR

The US government is cramming in a lot of fund-raising before Wall Street closes down for Thanksgiving. If the auctions go poorly, what impact will the continuing rise in US long-term interest rates have on the rest of the world's financial markets? Page 17

EDWARD BALLS:
ECONOMIC EYE

"Therapy without shock" is a tempting slogan for Russian politicians in the run-up to next month's elections. A more gradual approach to reform may have worked in China, but for Russia it is not an option. Page 17

Bonds:
Gilt-edged market makers have been asked by the Bank of England whether the UK should have a fully-fledged bond lending or repurchase (repo) system. Page 18

Equities:
In the US, the markets will assess further evidence of economic pick-up with one eye on interest-rate prospects. Page 19

Emerging markets:
The passage of Nafta may not herald a Latin American stock market boom, but it has helped avoid a bust. Page 20

Currencies:
After recovering some ground, the D-Mark may come under renewed pressure. Page 20

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This week: Company news

BASF/BAYER

High cost base deepens woe in chemicals

Buffeted by intense price competition and overcapacity, the European chemicals industry is suffering severe difficulties. In Germany, the problems of the three chemicals giants – BASF, Bayer and Hoechst – are exacerbated by the high costs of manufacturing in that country.

The companies have already indicated that they expect no turnaround in the second half of the year, but a clearer picture will emerge this week when two of the big three release their nine-month results: BASF today and Bayer on Thursday.

Bayer, which is insulated from the ferocious downturn in bulk chemicals by its healthcare business, has predicted that earnings will drop 20 per cent this year to DM2bn ($1.1bn) and should be able to spell out whether this is still attainable.

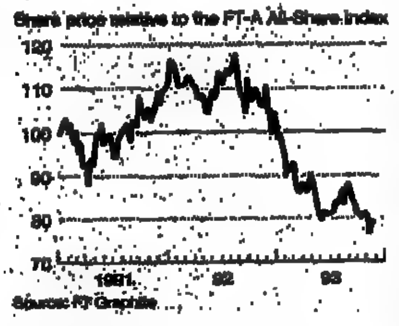
BASF will look in bad shape by comparison. Profits halved in the first six months to DM249m and may have been all but eliminated in the third quarter.

"There is no question in my mind that BASF is now making losses," said Mr Albert Richards, chemicals analyst at CS First Boston in London. "This might not be obvious under German accounting rules, which give management the freedom to report what they want. If they reported under US Generally Accepted Accounting Principles [as Daimler-Benz does] they would probably report a significant loss for the nine months."

Under German rules, BASF is likely to report a token profit. Without a recovery in prices and volumes, the group can only hope to return to genuine profitability if it cuts costs. On Friday it announced plans to cut its workforce by a further 2,300 in 1994, taking the headcount down to 45,900. This is 9,000 fewer than in 1990, but analysts will want to know whether chief executive Mr Jürgen Strübe has done enough to attack the cost base.

Allied-Lyons

Share price relative to the FT-A All-Share Index



Source: FT Graphite

ALLIED-LYONS

Delay in reaping benefit of change

For two years, the drifting fog of worldwide recession has obscured the benefits to Allied-Lyons, the UK drinks, food and retailing group, of refocusing on its core businesses.

Few expect first-half results on Tuesday to afford any clearer glimpse of what has been achieved. Pre-tax profits are expected to improve 24 per cent to about £290m – but by only 7 per cent if one-off factors are excluded.

The team which took over in 1991, after a £147m loss on currency transactions, responded immediately to criticisms that the growth rate had been pedestrian. It has reformed the management structure. Peripheral, low-profit operations have been sold, including Lyons Maid ice-cream; Sapori, the Italian bakery business; wine interests in Germany and Chateau Latour, the Bordeaux vineyard – on which a £20m book loss will be taken.

In the spirits division, increased marketing spend has been concentrated on its leading brands – Ballantine's, Beefeater, Kahlua, Courvoisier and Canadian Club.

The alliance with Domecq of Spain has extended into Mexico. In Germany, France, Italy and Greece, Allied has taken control of its brands distribution. Brewing operations have been merged with Carlsberg in the UK.

While these moves have been applauded, investors will have to wait a little longer for the rewards.

OTHER COMPANIES

Key day in battle for Paramount

Today is the expiry date for US cable company Viacom's friendly tender offer for Paramount Communications. The entertainment group is also the target of a $10.6bn hostile bid from QVC Network.

■ **Rhône Poulenc:** The public offer of shares in the French chemicals and pharmaceuticals group closes tomorrow. Demand for the government's second big privatisation issue has been strong and the offer is expected to be heavily oversubscribed. The price for institutional investors, which is being set by a book-building process, should be announced by Thursday.

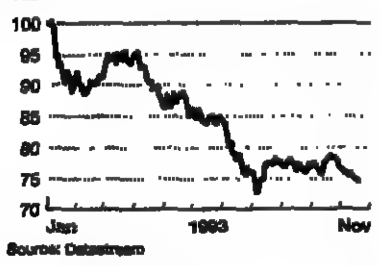
■ **Thorn EMI:** The UK music and rentals group announces half-year results on Tuesday, with pre-tax profits expected to be flat at around £105m ($156m) after roughly £10m of exceptional costs. Interest will focus on compact disc pricing, with further questions possible about the US subsidiary Rent-A-Center, which allegedly used unorthodox methods to extract money from late-payers.

■ **Philip Morris:** The board of the US tobacco and foodgroup board meets on Wednesday to consider restructuring plans aimed at cutting the cost base. It has already warned this will involve a "significant" charge.

■ **Nestlé:** Stock markets around the world will want news of the extent to which the Swiss foods and mineral waters group is coping – or otherwise – with the global shift by consumers away from higher margin brands.

Nestlé

Share price relative to SBC General



Source: Datastream

The group, which counts Nescafe and Perrier among its heavyweight brands, makes a progress report on Wednesday at its autumn press conference.

Net profits were 6 per cent ahead half-way through the year, at SFr1.25bn on sales little changed.

■ **Tate & Lyle:** Following a statement in September from the UK sweeteners group, analysts are expecting pre-tax profits of around £220m to be announced on Wednesday for the full-year, against £189.5m. Much of the gain will have come from favourable exchange rates.

■ **Commerzbank:** Germany's third biggest bank kicks off the sector's reporting season on Thursday with the announcement of 10-month results. It was 15 per cent ahead in the first five months, although partial operating profits – excluding earnings on own-account trading – were static.

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Direct Line chief sells bonus for one-off £45m

By Richard Lapper and John Gapper

Mr Peter Wood, the chief executive of Direct Line, the rapidly growing insurance company owned by the Royal Bank of Scotland, is about to swap a multi-million pound remuneration package for a one-off payment of about £45m.

Full details will be disclosed later this week when Direct Line reports its latest figures.The payment is expected to consist of cash and shares in Royal Bank of Scotland. It is understood that Mr Wood will hold the shares for at least five years.

The payment is understood to include remuneration of about £18m for this year, reflecting the rapid growth of the motor insurer in the past 12 months.

Last year Mr Wood, who founded Direct Line in 1985, received a little more than £6m from his bonus contract which links his annual pay to the rate of asset growth of the insurance company.

The bonus accounted for £6,014,000 of his total emoluments of £6,121,290. The deal was originally agreed in 1988 when Mr Wood sold his 25 per cent stake.

The company was the UK's first telephone-based "direct" insurer, selling motor insurance policies by telephone and has grown rapidly, specialising in the lower risk end of the market. Earlier this year it announced that it was on course to becoming the country's biggest motor insurer.

Direct Line recently announced its intention to expand into the home insurance market, where it is highly critical of the commission rates charged by building societies, banks and other intermediaries. The group is also test marketing plans to sell personal loans by telephone.

The company has nearly doubled the number of its motor-insurance customers to 1.25m during the past year. It employs 1,900 people in Croydon, Glasgow, Manchester and Birmingham.

Boardroom battle at Fife Indmar

By Peggy Hollinger

A minority group of shareholders at Fife Indmar, the engineering and distribution company, is leading a boardroom rebellion aimed at unseating Mr Gavin Hepburn, the long-time chairman.

The shareholders, who claim some 10.5 per cent of the shares, have requisitioned an extraordinary general meeting to replace Mr Hepburn and fellow director Mr Michael Munro with Mr Guido Crolla, a Scottish businessman, and Mr David Chassels of BDO Binder Hamlyn.

The rebels are claiming that the current management had failed to "make best use of the acquisitions in the last few years", according to Mr Crolla, who made £1.7m earlier this year when he sold his Citylink bus business to National Express.

In the last decade, Fife has diversified from marine engineering into distribution and catering.

The rebels include director Mr Charles McDonald, who holds about 8 per cent of Fife. He joined the board in 1988 following Fife's acquisition of Jack Scot, his North Sea hire firm. If successful, the rebels intend to appoint Mr McDonald as chairman.

Mr Crolla, who would become managing director, said he had approached Fife with proposals in June, but had been rejected.

A detailed statement would soon be sent to shareholders setting out his proposals, which are likely to include asset disposals.

Navan seeks to re-open Bulgarian mine

By Kenneth Gooding, Mining Correspondent

Navan Resources, a small Dublin-quoted company, is to raise I£7m (£6.6m) via a placing to cover the cost of a 40 per cent stake in the Chelopech mine in Bulgaria which the company says produced 45,000 troy ounces of gold and 8.8m lbs of copper annually during the 1980s.

Navan also claims that the Chelopech ore body contains 5.4m ounces of gold and is one of the largest gold resources in Europe.

The mine was closed by the new democratic government in April 1991 because of unacceptably high levels of arsenic in the copper concentrate (an intermediate material) sold to the nearby smelter at Pirdop.

Navan says it has been able to earn a 25 per cent interest in the mine by demonstrating to the Bulgarian authorities that these environmental problems can be overcome.

A joint venture company, Bimac, with an authorised capital of 1bn Bulgarian lev (about £24.8m) has been established to operate the mine and associated facilities. But it will not inherit past liabilities of any kind. Navan will inject about £2.6m) into Bimac and directly own 40 per cent. It has the right to take its stake to 68 per cent. The £2.6m will be used to bring the mine back into production in 1994.

Crossroads Oil loss

USM-quoted Crossroads Oil Group incurred a pre-tax loss of £1.52m for the 15 months to June 30, 1993, against a restated £297,002 profit for the previous year.

Losses per share were 3.54p (0.8p earnings). No dividend is declared for the period, but the board said it intended to declare a distribution in 1994.

Unscrambling a plate of tangled spaghetti

Andrew Jack examines the highly unusual and complex insolvency of Kwelm

It is one of the biggest and most complex insolvencies ever. Last week it moved into a new phase, as creditors voted overwhelmingly for a scheme of arrangement under English law for the Kwelm insurance companies.

At stake is the future of five insolvent insurance companies, themselves part of a far wider web owned by London United Investments, which is in administration. Other connected companies include Weavers, the insurance agency now in liquidation.

"This is either the end of the beginning or the beginning of the end," says Mr Chris Hughes, head of insolvency at accountants Coopers & Lybrand and one of the joint provisional liquidators.

Creditors to the different companies may receive initial dividends in the range of 3 per cent to 12 per cent by summer next year, and between 35 per cent and 47 per cent ultimately. But the process of running down the company is likely to take as long as 40 years, as many future claims continue to emerge.

Kwelm is short for Kingscroft, Walbrook, El Paso, Lime Street and Mutual Reinsurance, five insurance companies which were created or acquired by LUI since the early 1970s. Most of the business they took on through Weavers was "long-tail". It was primarily North American insurance and reinsurance for professional and medical indemnity, product liability and directors and officers cover.

From the late 1980s, adverse claims rose to the point at which they ceased underwriting new business, and then in 1990 instructed Weavers to stop paying claims on their behalf. After lengthy negotiations with creditors, the companies entered provisional liquidation in March 1992, except Walbrook, which entered the procedure in August that year.

> **Running down the company is likely to take 40 years as many future claims continue to emerge**

Collectively, the Kwelm companies have more than $5bn (£3.3bn) in liabilities. Allowing for current actuarial estimates with a high degree of statistical confidence, the final figure may be as high as $9.1bn.

Aside from the sheer size of the numbers in the accounts, work on Kwelm has presented substantial difficulties. At its peak Coopers was using the equivalent of up to 50 full-time staff.

So far, the firm's fees have exceeded £7.4m, and its total costs, including legal fees, are £22m. Over the next three years it projects administration costs of $89m (£60m). Mr Hughes argues that the complexities justify the fees.

Another sensitivity is the potential conflicts of interest, which are rife at Kwelm. Walbrook last summer became part of the Kwelm scheme partly because of creditors' concerns that there would be clashes in objectives if the LUI administrators remained in charge of managing Walbrook.

Coopers has hired actuaries and accountants from its own practice to provide independent advice on the liabilities and the viability of the scheme. It is also, like the other large accountancy firms, a creditor to the Kwelm companies on professional indemnity.

Mr Hughes says: "We have to be sensitive to issues where there might be a conflict." If he believes there is potential tension, he uses Mr Gareth Hughes, an Ernst & Young partner, as "scheme conflicts administrator".

One of the most time-consuming tasks has been reconstructing the records of the insurance companies in usable form. Many are stored in London warehouses on paper or microfilm. Even those on computer need modifying so each individual policyholder can be identified, previously a detail which only the broker needed.

So far, that has led to the identification of more than 35,000 creditors. It will take many more months for the process to be complete. "We have had to unscramble accounting information that is, crudely put, like a plate of spaghetti," says Mr Hughes.

To help grapple with the logistics of the proposed scheme, Coopers brought in one of its own project management consultants, Mr Jeff Morris. His previous job had been to co-ordinate the relocation of 5,000 Coopers staff as the number of London offices was cut from 13 to three.

He created six teams to work on the preparations behind the scheme, including one to manage and invest Kwelm's considerable cash assets of more than $700m, which it must retain to pay out future claims. The presence of so much money makes Kwelm a highly unusual insolvency.

Another team was geared to explaining the scheme to the 10 different types of creditor who had to approve it: those who were and those were not to benefit from the government's Policyholders' Protection scheme, across each of the five Kwelm companies.

Now Mr Morris is planning the gradual run-off stage of Kwelm, most of which will be done by about 160 staff employed through Kwelm Management Services. That requires considerable investment in new systems, in re-establishing a relationship with the rest of the insurance market, and motivating staff.

A job with a business which plans to close rather than grow may seem an unusual choice, but Mr Morris says: "Job guarantees are very short-term these days. KMS has a life of at least 20 years."

"There is a big job going forwards," says Mr Hughes. Financial investigations are under way to trace assets, and litigation against both auditors and agents alleged to have misappropriated assets continue. The House of Lords still has to resolve exactly who will can benefit from the Policyholders' Protection scheme.

It will also be some time before the effectiveness of schemes of arrangement for insolvent insurance companies has been reliably tested.

Ruberoid oversubscribed

The offer for sale by Ruberoid, the roofing subsidiary Tarmac is spinning off to the market, was 2.1 times subscribed. With 16.53m ordinary 5p shares available, valid applications were received in respect of 35.03m shares.

Applications for 200 to 500 shares will be met in full; 600 shares will receive 550; 800 will receive 600; 1,000 will receive 650; 1,500 will receive 750; 2,000 to 10,000 will receive 40 per cent of application; 20,000 to 500,000 will receive 20 per cent of application with a minimum of 4,500 shares; more than 500,000 will receive 17.5 per cent of application.

Priority applications for 241,800 shares received from eligible employees will be allocated in full.

Heavy demand for Badgerline

Demand was heavy for shares in Badgerline, the regional bus company which begins trading on Friday, with the public offer 1.7 times subscribed.

Lazard Brothers, Badgerline's merchant bank, said 23.4m shares had been placed with institutions and other investors, while a further 14.2m was offered to the public at 115p.

Heavy public demand meant that applicants for more than 500 shares would get fewer than requested.

NEWS DIGEST

UniChem in £8.9m expansion

UniChem, the pharmaceutical distributor and chemist retailer, is making a recommended £8.9m offer for the Bradford Chemists' Alliance.

BCA is the main wholesale pharmaceutical supplier to 166 pharmacies in and around Bradford. Turnover for the year ended September 1993 was £52m with pre-tax profits of a little more than £1m.

Stagecoach makes £4.4m bus buy

Stagecoach Holdings, the Perth-based regional bus service operator, floated in April, has acquired all the issued share capital of Grimsby-Cleethorpes Transport for £4.4m in cash.

In addition, a pre-acquisition dividend of £300,000, financed by Stagecoach, has been paid to the vendors.

IDV agreement with Polychem

International Distillers & Vintners, the drinks arm of Grand Metropolitan, has reached agreement with Polychem, part of the Kilachand Group, to establish a joint venture company to produce, market and distribute IDV brands in India.

ID India, the new company, in which IDV will have a 60 per cent holding, will begin production early next year of Smirnoff vodka, Malibu coconut rum, Archer's schnapps and Chelsea gin, and will bottle Spey Royal Scotch whisky.

Pelican flies into the US

Pelican Group, the restaurant concern, is to acquire a US corporation to be named Pelican USA, the assets of which comprise a 50 per cent interest in the Cafe Tu Tu Tango restaurant business, together with $1m cash, for a consideration of $2.08m (£1.39m).

Following completion of the deal Mr Robert Earl, who is behind the Planet Hollywood chain and is currently a non-executive director of Pelican, will become an executive director of Pelican USA.

The Markets

THIS WEEK

Global Investor / **Peter Martin**

World's eyes on US interest rates

Thanksgiving week in the US promises to add fresh uncertainty to the question preoccupying the world's financial markets: what is the outlook for US long-term interest rates?

The New York markets will start winding down from Wednesday lunchtime in preparation for Thursday's holiday; many people will stay at home on Friday, too. So the active trading week will only be two days – yet into it, the government plans to cram two bond auctions, for two-year notes and five-year notes.

That means that anyone buying these issues may well be stuck with them until next week – potentially a worry in a market that demonstrated its volatility yet again on Friday.

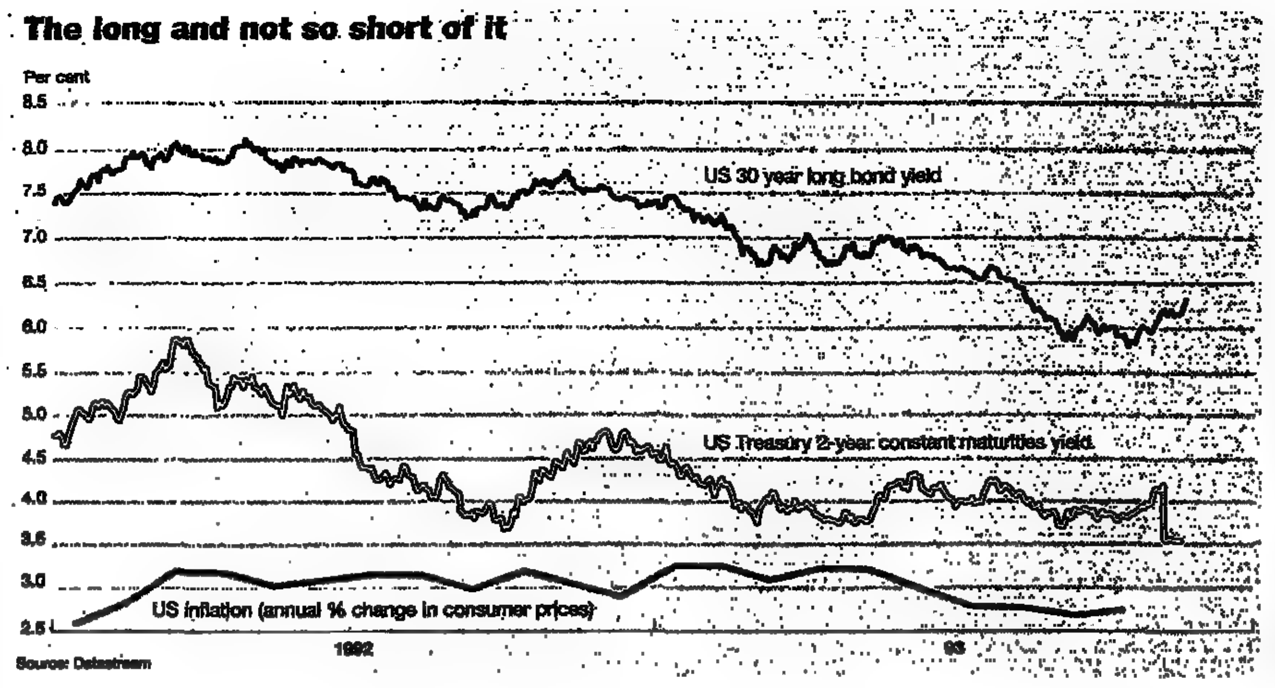
Despite this, the auctions will probably go well; they usually do. The broader issue remains. Has the US bond market moved – as Mr Robert Brusca, of Nikko Securities in New York puts it – from a bear phase of a bull market into a true bear market?

That matters to investors regardless of where they live. A sustained move upwards in long-term US rates would indicate that bond investors fear the return of inflation, suggesting that in the not-too-distant future the Federal Reserve would get the message, too.

The realisation that both short and long-term interest rates were decisively headed upwards in the US would dawn, unpleasantly, around the world. In the US equity markets, shares would be damaged by appearing less attractive than bonds or cash.

Overseas, equity and fixed-income markets would lose the psychological prop of a worldwide outlook of falling interest rates and low inflation. Though the economic climate would still indicate lower interest rates to come in Europe, investors would glance nervously at the US.

The long and not so short of it



Source: Datastream

Flows of US retail investors' cash – out of deposit accounts and money funds, into equities at home and abroad – would dry up, as Americans rediscovered the joys of interest. An end to the flows, perhaps their reversal, would be bad news for shares worldwide.

Much hangs, therefore, on the outlook for the US bond market. After Friday's further slide in the market, the next few days could be tense. In Thanksgiving week, no-one wants to be the turkey.

■ Those expressing their gratitude on Thursday will include the heads of big American companies, for whom the fourth quarter is looking happy. One of the biggest and best diversified US corporations recently held a meeting for its divisional bosses. Without exception, said someone present, they reeled off tales of double-digit revenue growth in September. Fourth-quarter results will reflect this underlying business strength. A shaky bond market may hurt the valuation of the stock market; but it will do little in the short run to damage the improvement in earnings.

■ Rapid, self-sustaining growth in Asia/Pacific's industrialising economies is one of the investing community's new articles of faith. The television pictures of President Clinton at the Apec economic summit merely confirm the worldwide enthusiasm for equities anywhere in Asia – except Japan.

There's no doubt that this region will be the manufacturing heartland of the world in the coming century. There's also no doubt that the addition of a billion people to the global market economy will have profoundly beneficial results.

Don't expect the process to be a smooth one, though. In some respects, the global economy in the early 21st century will look a lot like it did in the late 19th century: bumpy. A large, rapidly growing, aggressively export-oriented region will make the world grow faster, true – but it will also provide a lot more shocks.

Look at the description last week, from Courtaulds, the UK chemicals company, of how the Chinese credit squeeze had hit revenues. "Production of acrylics and acetate tow that were previously going to China have been diverted to Europe," said Mr Sipko Huismans, Courtaulds' chief executive. Prices in Europe had suffered; and the viscose market in the US would soon be hurt, too.

China's trend growth will be rapid, but it is unlikely to be stable. Periods of slower growth will leave markets awash with unsold product destined for China; and above-trend growth will push up worldwide prices, once the global economy recovers.

The growing Asian economies are still a relatively small part of world gnp. But their rapid growth and vast populations will make them the world's marginal consumer. And in economics, it's at the margins that things happen.

■ The flood of money into the developing markets of the Asia/Pacific regions is only partly driven by economics, of course. It's also driven by one of the great self-reinforcing phenomena of current investing: the concept of a "normal" weighting. Global investors look at the world through the prism of one of the worldwide equity indices, such as the FT-Actuaries World Index.

If a market starts to rise rapidly against the rest of the world, its weighting in such indices will rise, because they are weighted by market capitalisation. Global investors will discover themselves to be suddenly underweight *in that market*. It wouldn't look good at year-end to be underweight in a market that is performing strongly; perhaps it is time to move back into line? Thus, a rally once begun is self-reinforcing, until some event occurs to reverse its course. The smaller the market, the thinner its trading and the further away it is, the more powerful this cycle.

Western fund managers look down on those who still place their faith in a stock's "momentum". Retail investors and the naive markets of the Asia/Pacific rim might use this technique, they say, but no-one with the merest smattering of modern portfolio theory takes it seriously. Yet they have institutionalised such a concept in the name of prudence. Most recently it has led them, with splendid irony, to pour money into the pockets of Pacific rim investors. Did somebody say naive?

■ The new weekly table alongside caters to the increasing interest in the "total return" of asset classes round the world. Total return captures both the capital appreciation of a security and its income stream (dividends or interest). It thus allows you to compare the return in holding your money in the money market, with that available in bonds of different maturities or equities. The table shows the total return in local currency terms on four asset classes in five countries over the past week, the past month and the year to date.

The growing interest in total returns is partly a result of the worldwide trend towards convergence of tax rates on income and capital gains. Investors are increasingly indifferent as to whether they get their profit from a stock's appreciation or its income stream, and want a measure which captures both.

Total returns in local currency terms

	US	Japan	Germany	France	Italy	UK
Cash						
Week	0.07	0.05	0.12	0.13	0.17	0.11
Month	0.27	0.21	0.56	0.59	0.74	0.50
Year	4.06	3.56	7.94	8.75	13.19	6.56
Bonds 3-5 year						
Week	0.24	-0.28	0.46	0.54	0.10	-0.68
Month	0.83	1.36	1.23	0.89	-0.12	1.11
Year	8.82	9.34	14.21	15.95	30.43	16.85
Bonds 7-10 year						
Week	0.59	-0.04	0.75	0.73	0.59	1.00
Month	-1.80	1.89	-0.79	0.08	1.39	0.93
Year	13.42	12.18	16.88	22.89	40.76	21.71
Equities						
Week	0.2	1.3	-2.8	2.7	0.2	0.9
Month	-1.0	-4.4	2.9	1.1	-8.8	-0.1
Year	12.2	24.1	37.2	30.0	27.2	12.2

Ten best stocks from FT-Actuaries World Indices.

	% change Week	Month	Year
Wilson Neill (NZ)	20.0	-7.7	140.0
Iscor (SAF)	19.5	46.2	175.4
First Natl. Finance (UK)	17.9	25.8	82.5
GFB 'C' (MEX)	17.6	14.1	n.a.
Safren (SAF)	16.8	29.9	0.0
Leu Holdings (SWI)	16.2	26.0	139.7
CS Holdings (SAF)	15.2	22.6	46.2
Nedlloyd (NET)	14.7	11.5	53.4
Liz Claiborne (USA)	14.5	13.8	-44.8
Credito Italia SVG (ITA)	14.2	6.6	54.1

Source: Cash & Bonds-Lehman Brothers. Equities-NatWest Securities. Copyright, The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited.

Total returns are also in fashion because cheap computing power has made them easier to calculate. Not *that* easy, though: a great deal of expertise is required, for which we are grateful to Mr Chris Golden of Lehman Brothers in London, for the cash and bond figures; and Mr Symon Bradford of NatWest Markets in Edinburgh, for the data on equities.

■ Two events in Belgium next week – a series of demonstrations against government austerity planned by labour unions and the meeting of the European Commission to review its draft white paper on employment and competitiveness – underline a worldwide trend pointed out recently by Mr David Roche of Morgan Stanley.

People are tiring of corporate restructuring and retrenchment, as witness the Canadian election, the Air France protests, recent *labour* unrest in Italy and Germany, and the anti-Nafta campaign in the US.

One way in which this unhappiness could manifest itself is a general swing back towards protectionism, subsidies, and government interference, potentially damaging for corporate earnings. The phrasing of the white paper will be one indicator of the way the debate is going; so will progress in the Gatt talks. The way politicians discuss this issue will indicate how seriously they take the new public mood.

Economic Eye / **Edward Balls**

China's gradualist strategy not a Russian option

"Therapy without shock" is a tempting slogan for Russian politicians, as they stake out their positions in the run-up to next month's elections. With inflation running above 1,000 per cent a year, and industrial output expected to fall a further 10 per cent this year, the need for therapy is obvious. But "shock therapy"? The Russian people may well figure that they have had more than their fair share of shocks already.

In fact, the party of shock therapy is currently firmly in the lead in the polls. The liberal Russia's Choice party, led by Yegor Gaidar and backed by the president, wants to cut subsidies to state enterprises in order to control inflation and encourage the private sector.

But for supporters of groups such as the Civic Union for Stability, Fairness and Progress – backed by Russia's industrial lobby – a more gradual approach to subsidy cuts has an obvious appeal.

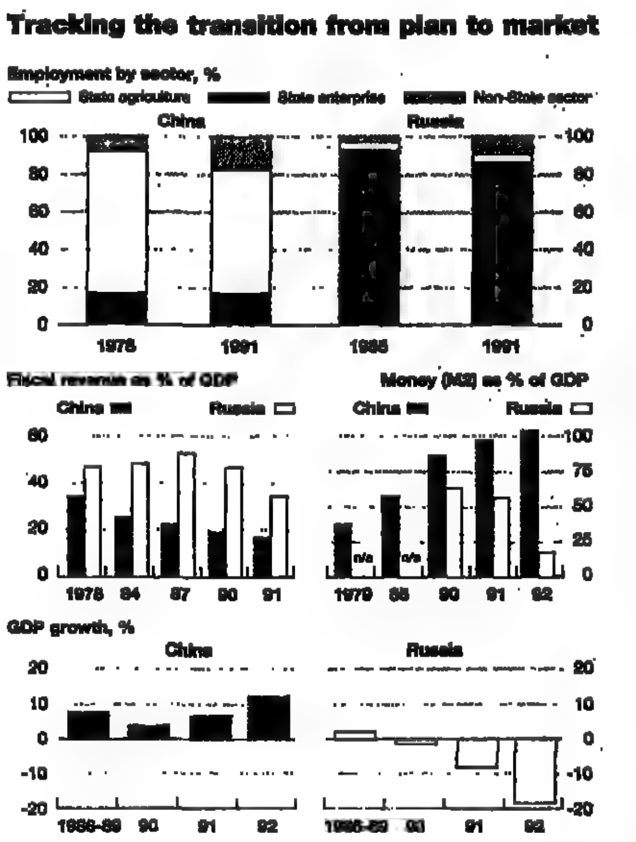
"Gradualism" also has an impressive pedigree. China, which began its transition from central planning back in 1978, has avoided shocks like the plague, while eschewing rapid cuts in subsidies to inefficient state enterprises or mass privatisation.

Instead, the Chinese leadership has concentrated reform first on agriculture and rural enterprise, while cautiously experimenting with liberalisation in selected provinces.

And this "gradualist" strategy has worked. The Chinese economy has grown by a dramatic 8 per cent plus since 1978, doubling its share of world trade.

Compared with Russia, it remains a poor country. Russia's average income per head in 1991 was $3,230 compared with a mere $370 in China. But the contrast between the drab streets and decaying industry of Moscow, St Petersburg or Volgograd, and the dynamism of the shining industrial development zones that surround Tianjin, Shanghai or Guangzhou, suggests that these simple dollar income comparisons tell only a small part of a much larger development story.

Tracking the transition from plan to market



Source: Sachs & Woo (1993)

How tempting, then, to see China as a role model for Russian reform: a relatively painless way to make the transition from plan to market, encouraging the non-state sector and foreign investment but without requiring immediate cuts in state output and employment.

Sadly, the analogy does not work, as Harvard professor and Russian adviser Jeffrey Sachs argues in a forthcoming Economic Policy paper, written with Wing Thye Woo.

The reason is that Russia and China started the transition to a market economy at very different stages of economic development. In China in 1978, the bulk of the population worked in collectivised, but unsubsidised agriculture – state enterprises employed less than 20 per cent of the population.

Liberalisation of agriculture, and the consequent rapid (not gradual) rise in productivity, meant substantial gains to the rural population and allowed surplus peasant workers to move to the rural industrial sector.

The potential losers from cuts in subsidies to unviable state enterprises are a dwindling minority, while the willingness of the population to increase its holding of money balances has allowed the government to pay monetary credits to industry without fuelling inflation.

China has not escaped inflationary problems. But its inflation has resulted not from the need to subsidise the old, but because the growth of new enterprise has run ahead of the ability of physical infrastructure and economic institutions to support it. It is the World Bank, not the International Monetary Fund, which is advising China on the structural reforms.

For Russia, this Chinese "gradualism" is not an option. Russia's highly centralised planning means that state enterprises are much larger than in China, while industry is more regionally concentrated, making closure of non-viable plants more difficult.

But Russia is also over-industrialised – only 6 per cent of the population works in agriculture, compared with 93 per cent in state enterprises. The constituency which stands to lose, in the short-term, from cuts in subsidies is therefore much greater.

Meanwhile, as confidence in the currency has dwindled, the government's resort to the printing press has meant accelerating inflation.

This Russian inflation is not a product of overly rapid development but of the government's need to continue to subsidise the past at the expense of progress. *Until* these industrial subsidies are cut, the bias against the non-state sector and very high inflation will continue to impede growth of the non-state sectors.

Indeed, a gradual approach to cutting state subsidies risks being the worst of both worlds – it hurts the state employees, while providing little incentive for state employees to move into the service or private sectors. Hence, the importance the IMF attaches to linking aid to cuts in inflationary industrial credits.

Of course, Russia's transition to democracy makes the short-term task of cutting subsidies even harder, a problem that China has never had to face – which explains why the IMF has been criticised, both by Russia's reformers and western economists, for being much too cautious in offering this financial support, most recently by Mr Sachs in today's FT Letter's column. But, in the debate between advocates of "gradualism" and rapid disinflation, Mr Sachs and the IMF are on the same side.

WORLD BOND MARKETS: This Week

NEW YORK

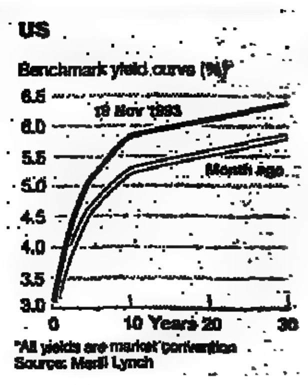
Patrick Harverson

Already reeling because of a string of recent encouraging economic statistics, US bond prices are likely to come under renewed pressure this week from more economic data and an influx of new supply.

The only good news for fixed-income investors is the Thanksgiving holiday, which will shut the market on Thursday and close it early on Friday, at 1pm. They may also be cheered by Monday's release of the latest Federal budget deficit figure, which is expected to show a slight shrinkage in the deficit.

Otherwise, the only notable data due is the October durable goods orders report on Wednesday. After September's slight 0.7 per cent rise in durable goods orders, Wall Street is looking for a bigger increase.

With sentiment so gloomy, traders are not looking forward to this week's Treasury auctions, which will add supply to the market at a time when prices are vulnerable.



*All yields are market convention
Source: Merill Lynch

Today, the Treasury will sell $17bn in two-year notes (the largest such issue in history), and on Wednesday it will sell $11bn in five-year notes.

If Friday's fall in prices is carried through into the early part of this week, institutional investors could fear further declines and stay away from the auctions, pushing yields even higher. Thursday's holiday may not come a moment too soon for the bond market.

LONDON

Emma Tucker

Activity in the UK government bond market is likely to be subdued this week as investors wait to see whether Mr Kenneth Clarke, the chancellor, will cut interest rates at or around the time of the Budget on November 30.

The market is fired-up for a base rate cut following last week's encouraging economic data, in particular the small rise in inflation.

This has provided Mr Clarke with a good excuse for easing monetary policy, should he need to sweeten the tax increases which are widely expected to be announced in the Budget.

A good M3 figure in Germany today, and cost of living later this week, may tilt expectations even more firmly behind a UK base rate cut, as markets gear up for a drop in Germany's lending rates.

There are few economic data to influence opinion in the UK this week, although on Friday the CBI produces its monthly survey of manufacturing trends.

*All yields are market convention
Source: Merill Lynch

Last week, the drop in retail price inflation from 1.8 per cent in September to 1.4 per cent in October pushed gilts up about a point.

Since then the market has drifted down by about 5 basis points, but it is likely to remain well supported this week, against a background of low inflation and the strong expectations for a further easing of base rates.

FRANKFURT

David Waller

The Bundesbank policy-making council meets only twice more this year, on December 2 and December 16. With long bund yields close to a historical low, at 5.85 per cent on Friday, the market is clearly anticipating further decisive rate cuts at one or other of these meetings.

The failure to deliver more than a fractional reduction in the securities repurchase rate after last Thursday's council meeting did nothing to unsettle the optimism. Money supply date published today and inflation figures for four states later this week will be closely scrutinised to see whether the optimism is justified.

The market expects growth in October M3 of 6.3 to 6.7 per cent on an annualised, seasonally adjusted basis, compared with the Bundesbank's target of 4.5 to 6.5 per cent for the year. Inflation data from Baden-Württemberg, North-Rhine Westphalia, Hesse and Bavaria are also likely to be positive.

*All yields are market convention
Source: Merill Lynch

Two factors weigh against the optimism. First is the Bundesbank's love of surprise: everybody is taking a rate cut for granted, so it is likely to want to disappoint them. Second is the influence of the US bond market: investors are becoming wary of the possibility of US interest *rate rises*. This has unsettled US bond prices and could spill over into the bund market.

TOKYO

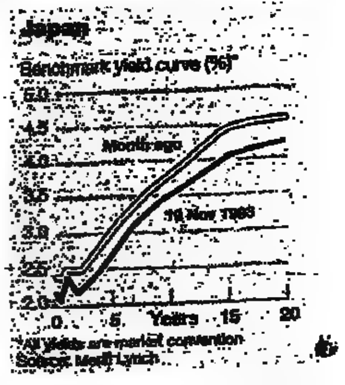
Emiko Terazono

The Japanese government bond market is likely to move in a narrow range this week, with investors focusing on evidence of further economic weakening and the size of a prospective income tax cut.

Investors have become wary of the recent fall in the yield on the No 145 10-year benchmark, to below the 3.5 per cent level. An increasing number last week tried to avert the risk of profit-taking by buying put options, or contracts giving the holder the "right to sell".

However, increasing pessimism over an economic recovery is likely to support lower interest rates.

One concern for bond investors is the size of the income tax cut, which Mr Morihiro Hosokawa, the prime minister, pledged over the weekend. The tax advisory committee to the government last week proposed an income tax cut funded by an increase in consumption taxes. But the government is likely to implement an early tax cut to boost the faltering economy, financed by government bonds, until consumption tax is increased.



*All yields are market convention
Source: Merill Lynch

Traders believe a tax cut of Y5,000bn to Y6,000bn one year ahead of any consumption tax hike will be unlikely to affect supply and demand but a cut over Y10,000bn, two to three years ahead of a consumption tax increase will be bad news for the bond market.

Capital & Credit / **Sara Webb**

Bank may bow to Gemms on repos

One by one, the various gilt-edged market makers (or Gemms) have been called in to see the Bank of England in recent weeks and invited to give their views on whether the UK should have a fully-fledged bond lending or repurchase (repo) system.

Two years ago, such an approach by the Bank would have seemed inconceivable. It was widely felt by the securities houses, especially those with active repo desks in other government bonds, that the Bank had a strong aversion to an open repo market.

Yet in the space of two years, the pressure has built up for an open repo market and the Bank's willingness to listen to Gemms' views on the pros and cons of such a system suggests it is genuinely open-minded on this matter.

Those who have told the Bank their views believe that an open repo market is inevitable: it is simply a question of time and the determination to overcome certain obstacles, such as the regulation of a repo market and implications for the taxation of dividends.

Gemms have enjoyed a privileged position for several years. Because of their requirement to make two-way prices under all market conditions, they need to be able to borrow gilt-edged stock to complete their sales. This they do through Stock Exchange Money Brokers, specialist intermediaries who borrow the gilts from approved lenders, such as large institutions.

Increasingly, market participants have argued that the Gemms' privilege should be extended to others: through repos, holders of gilts would be able to sell them for cash for an agreed period of time, at the end of which they would buy them back at an agreed price.

Such arrangements exist for US, French and German government bonds, and there are many investors and securities houses who would like to see a similar arrangement for UK government debt.

Those in favour of an open gilt repo market claim there would be several advantages. Even with the existing arrangements, Gemms do sometimes face a shortage of certain kinds of stock. "Sometimes you want to borrow stock as a Gemm so you can go short, and it's hard to get anything other than benchmark issues," complains a dealer at one leading UK house, adding that an open repo system would improve gilt market liquidity.

With an open repo system, overseas investors – who are significant holders of UK government bonds – would be encouraged to lend out their stock to enhance the return on their portfolios.

The pro-repo camp argue that an open repo system would entice a broader range of investors into the market.

For example, an investor who wants to buy gilts could finance his gilt purchases more cheaply by using the bonds as collateral and borrowing against them.

One Gemm calculates that an investor might be able to reduce his borrowing cost quite considerably: he might, for example, pay 50 basis points over Libor to finance his position unsecured, but could reduce it to 10–15 basis points over Libor on a secured basis.

Those who are in favour of having a repo market argue that the inability to "repo-out" stock has deterred many investors, particularly those in the US who are accustomed to the freedom to "repo-out" their US treasury bond holdings.

If these investors could be wooed into the gilt market by the presence of a repo facility, they argue, it would encourage more investors to participate in the market, which in turn would mean lower borrowing costs for the government.

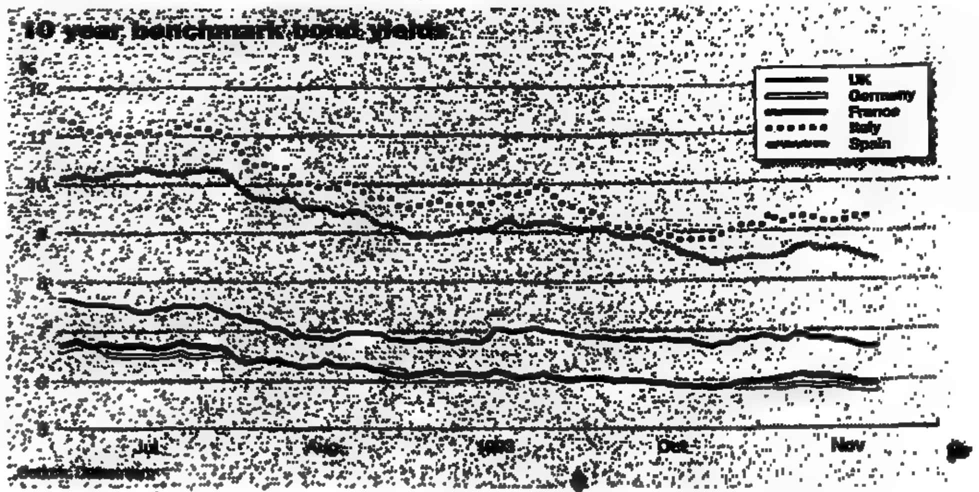
Not everyone agrees on this point. It is not entirely clear which investors have steered clear of gilts for this reason, given that the gilt market has shown a considerable rally over the last two years and produced bumper returns for investors.

While the Bank recognises the advantages of creating a deeper and more liquid market through an open repo system, there are obstacles which would need to be overcome.

Even its most ardent proponents will admit in private that repos have a chequered past and have acquired a rather "spivvy" reputation, thanks to several scandals, such as the Drysdale case in the US in the early 1980s.

Clearly, the Bank would want to be satisfied that the market was not open to abuse or disruptive behaviour. This raises the question of how best to regulate the market (whether through legislation or a code of conduct), and how to ensure that stock is not lent out several times over (in the latter case, the solution would be to simply place stock with an agreed third party).

"The regulatory and tax problems are not insurmountable: it's more a question of whether the Bank really wants to relinquish its hold over the secondary market in gilts," claims one gilts specialist.



Source: Datastream

INTEREST RATES AT A GLANCE	Latest	One week ago	One Month ago	One year ago
UK Base rate	6.00	6.00	6.00	7.00
US Discount rate	3.00	3.00	3.00	3.00
Japan Discount rate	1.75	1.75	1.75	3.25
Germany Discount rate	5.75	5.75	6.25	8.25
France Intervention rate	6.45	6.45	6.75	9.10
Italy Discount rate	8.00	8.00	8.50	13.00

Source: Datastream

International / **Antonia Sharpe**

Germany considers long-dated sector

The Republic of Austria's successful DM2bn offering of 30-year Eurobonds last week, which prompted a flood of long-dated issuance by six German states, has raised the possibility that the German government could follow suit.

There is clearly strong demand for long-dated D-Mark bonds, especially outside Germany. International interest was such that Austria's issue was increased on Friday by DM500m from DM1.5bn.

Excluding Austria's offering, just over DM3bn worth of bonds with maturities of more than 10 years emerged last week, through a combination of 30-year bonds and 20-year bonds puttable after 10 years.

The sudden rush of long-dated paper and a perception that some issues were too tightly priced has resulted in this new market reaching saturation point sooner than many syndicate managers had hoped.

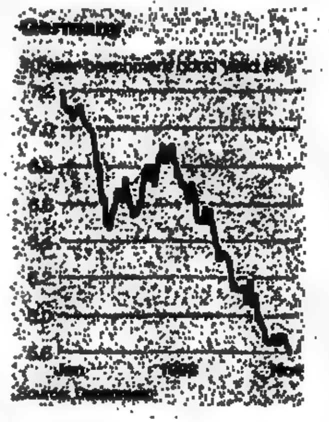
However, they are confident the overhang of paper will be absorbed fairly quickly, which will enable other highly-rated borrowers to raise long-term financing at the current low interest rates.

Deutsche Bundespost, Germany's post office which set up a DM2bn medium-term note programme last week, is expected to raise DM500m via a 30-year bond issue this week.

The bonds are likely to be priced to yield around 70 basis points over 10-year German government bonds (bunds). The pricing of 30-year D-Mark bonds is more an art than a science due to the lack of benchmarks beyond 10 years.

The yield spread on Austria's bonds was calculated by using the yield differential between 10-year and 30-year Dutch and French government bonds, a mechanism devised by JP Morgan when it arranged a DM1.5bn offering of 15-year Eurobonds for LKB Baden-Württemberg Finance in August, the first offering with this maturity in the D-Mark sector.

So long as there is no 30-year bund, Austria's offering will be seen as the benchmark against which future issues will be priced.



Source: Datastream

Syndicate managers hope it will not be long before the German government does so, since this would provide the liquidity and credibility which most investors require.

The German government does have experience in this area. In 1986, Germany's low inflation rate prompted the government to issue two DM1bn offerings of 30-year bonds.

They became illiquid as a change in market conditions dissuaded the government from issuing more long-dated paper and concentrate instead on issuing 10-year bunds.

The German finance ministry has declined to comment on whether the government will resume its issuance of bunds with maturities of more than 10 years.

The government is thought to be seriously considering the option but is put off by two main factors: uncertainty about how well the market could absorb large issues of 30-year bunds (a bund issue totals around DM10bn these days) and the lack of a relevant futures contract.

Nevertheless, the desire to conform could well encourage the German government to overlook these problems.

Italy has become the latest European sovereign borrower to issue 30-year debt and Spain will make its first issue of 15-year bonds in the domestic market in December.

NEW INTERNATIONAL BOND ISSUES

Borrower	Amount m.	Maturity	Coupon %	Price	Yield %	Launch spread bp	Book runner
US DOLLARS							
Daiwa Industries(a)§	50	Dec.1997	1.125	100.00	-	-	Daiwa Europe
[illegible] Finance & Secs.(b)§	60	Nov.2003	(4-4½)	100.00	-	-	BZW
New World Dev.(c)§	300	Dec.2000	4.375¶	100.00	-	-	Morgan Stanley Intl.
Stora (d)	90	Nov.1998	(d)	100.00R	-	-	Kidder Peabody Intl.
Vencemos(e)‡★	75	Nov.1998	9.25¶	100.00R	9.250	-	Chase Inv. Bank
BP Finance	450	Dec.1998	5.25	99.251R	5.425	+35 (4¾%-98)	Goldman Sachs/[illegible]
European Inv. Bank	500	Dec.1998	5.00	99.611R	5.090	+8 (4¾%-98)	Nomura Intl.
National Power	300	Dec.2003	6.25	98.737R	6.425	+70 (5¾%-03)	Merrill Lynch Intl.
[illegible] Bank Turkey(f)‡	130	Dec.1996	(f)¶	100.00R	-	-	Merrill Lynch Intl.
Union Bank of Norway(g)‡	100	undated	(g)	99.23R	-	-	Morgan Stanley
Empresas Distribuidoras	85	Nov.1996	8.00	99.71	8.113	+370(4¼%-96)	Merrill Lynch Intl.
[illegible] Co.(h)§	80	Mar.1998	2.25¶	100.00	-	-	Nomura Singapore
KEPCO(i)	1.35bn	Dec.2003	6.375¶	98.551R	-	+90 (5¾%-03)	Lehman Bros.
Sudwestdeut. Landesbk.‡★	100	Nov.1998	(j)	100.95R	-	-	Kidder Peabody Intl.
LTCB(k)‡	100	Dec.2003	(k)¶	101.55R	-	-	LTCB Intl.
Kingdom of Sweden	300	Jan.1997	4.625	99.76R	4.705	+18 (4¼%-96)	Paribas Cap. Markets
Citicorp(C)‡	250	Dec.1995	(C)	99.675R	-	-	Lehman Bros.
Bank of America(D)‡	150	Dec.1996	(D)	99.88R	-	-	Salomon Bros.
Banco di Napoli (Lux.)(E)‡	150	Dec.1998	(E)¶	99.48R	-	-	Merrill Lynch Intl.
Philippine National Bank	150	Dec.1998	5.625¶	99.675R	6.072	-	Citibank Intl.
[illegible](F)§	150	Dec.2003	3.5-4.0	100.00	-	-	S.G. Warburg Secs.
Credit Local de France(G)‡	100	Dec.1996	(G)¶	110.19R	-	-	[illegible]
[illegible] Finance Intl.(H)‡	125.93	Mar.1999	(H)	99.675R	-	-	Kidder Peabody Intl.
SE Banken(I)‡	250	Dec.1996	(I)	100.00R	-	-	Kidder Peabody Intl.
Banco Roberts	50	Dec.1996	8.375¶	99.719R	8.445	+400 ([illegible])	Samuel Montagu & co.
[illegible](J)‡	200	undated	(J)	99.90R	-	-	Salomon Bros.
D-MARKS							
Sapporo Breweries(a)◆	200	Dec.1997	1.75	100.00	-	-	Yamaichi Bk. (Deutsch)
[illegible] Finance	500	Jan.1999	5.75	100.30R	5.670	+30 (5⅝%-98)	CSFB-Effectenbank
Rep. of Austria	2.0bn	Jan.2024	6.50	100.44R	6.465	+65 (6%-03)	Deutsche Bank
State of Baden Wurttemberg	750	Jan.2024	6.50	99.40R	6.541	-	MS/Salomon Bros.
Sachsen-Anhalt	600	Dec.2013	6.20	100.17R	6.185	-	Morgan Stanley
State of Hessen(b)	500	Nov.2013	6.00	99.180R	6.072	-	JP Morgan
Depfa Finance	100	Jan.2004	6.50	102.50	6.150	-	Trinkaus & Burkhardt
North Rhine Westphalia	500	Dec.2023	6.50	99.94R	6.595	+71 (6%-03)	Gold. Sachs/West LB
State of Bavaria(c)	200	Nov.2003	6.00	98.33R	-	+30 (6%-03)	Bayer. Vereinsbank
Land Rheinland-Pfalz	100	Jan.2024	6.50	99.85R	6.512	+72 (6%-03)	LB Rhein-Pfalz
Land Rheinland-Pfalz	100	Jan.2024	6.50	99.60R	6.531	+72 (6%-03)	Bayer. Vereinsbank
State of Mecklenburg-Vor.(d)	500	Jan.2023	6.15	99.975R	-	+84 (6%-03)	Trinkaus & Burkhardt
YEN							
Penta-Ocean Cons.(a)§	20bn	Mar.1999	1.25	100.00	-	-	Yamaichi Intl.(Europe)
[illegible] Fin.(Cay.)(b)‡	1.6bn	Aug.2000	(b)¶	101.875	-	-	Sanwa Intl.
SMC Corp.(c)	10bn	Mar.1998	3.05	100.063R	-	-	Asahi Finance
CKP(d)	10bn	Dec.1998	4.00	100.00R	4.000	-	Nikko Europe
Mitsubishi Finance	10bn	Sep.1998	2.30	100.00R	2.300	-	IBJ Intl.
Bank of Greece(e)	60bn	Dec.2005	5.1¶	100.00R	5.100	-	Nomura Secs. (Tokyo)
Bank of Greece(f)‡	40bn	Dec.1997	(f)	100.00R	-	-	Nomura Secs. (Tokyo)
Marubeni Corp.(g)‡	20bn	Mar.1998	(g)	100.20R	-	-	Goldman Sachs Intl.
[illegible](h)‡	10bn	Mar.1998	(h)	100.25R	-	-	[illegible] International
[illegible](x)‡	10bn	Dec.[illegible]	[illegible]	100.00	-	-	Yamaichi Bank
CANADIAN DOLLARS							
Montreal Urban Community	75	Jan.2004	7.50	99.425R	7.584	+69 (7½%-03)	Hambros Bank
[illegible]	150	Nov.2003	7.00	99.20R	7.095	+10 (7½%-03)	[illegible]/Scotia Mc./SBC
ITALIAN LIRE							
Deutsche Bk.Fin.(Curacao)	200bn	Jan.2004	8.25	101.67	8.001	-	Deutsche Bk.(London)
GUILDERS							
Nederlandse Waterschapsbk.	150	Jan.2005	6.00	100.00R	6.000	+22½(5½-03)	ABN Amro
AUSTRALIAN DOLLARS							
Aust.Industry Dev. Corp	100	Jan.2004	6.75	101.20	6.582	-	Hambros Bank
PESETAS							
Electricite de France(z)	10bn	Dec.1998	8.00	101.46	7.638	-	BCH/SBC
SWISS FRANCS							
[illegible] Corp.(A)★◆	150	Nov.1997	0.50	100.00	-	-	Credit Suisse
Sapporo Breweries(B)★◆	200	Dec.1997	0.625	100.00	-	-	Swiss Bank Corp.
City of Vienna(C)	200	Jan.1999	4.00	102.25	3.502	-	Credit Suisse
Canton of [illegible](D)◆	270	Jan.2008	2.75	100.00	-	-	UBS
Basque Country	200	Dec.2003	4.375	100.75	4.281	-	UBS
Ito En(E)§★	140	Apr.1998	0.125¶	100.00	-	-	Yamaichi Bk. (Switz.)
LUXEMBOURG FRANCS							
Eurofima	1.5bn	Dec.2005	6.75	102.60	6.404	-	BIL
Tractebel Invest. Intl.	1bn	Jan.2004	6.875	101.95	6.602	-	BGL
Genfinance	1bn	Dec.1998	zero	700	-	-	BGL

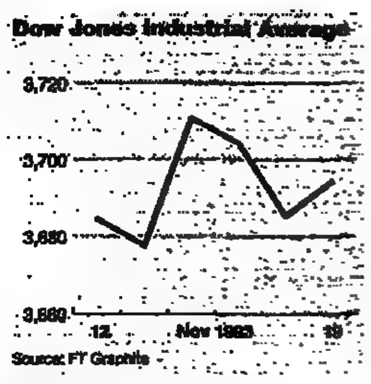
Final terms and non-callable unless stated. The yield spread (over relevant government bond) at launch is supplied by the lead manager. ★Private placement. §Convertible. ◆With equity warrants. ‡Floating rate note. ¶Semi-annual coupon. R: fixed re-offer price. a) Exercise price: Y1,384. Fx: 108.99Y/$. b) Conversion price: Y597. Callable from 1/10/94, subject to 125% rule at 102¼% declining by ¼% semi-annually. c) Exercise price: Y495. Fx: 72.10Y/SFr. Refixing clause effective Feb.1996. Callable on 25/11/95 at 101% declining ½% annually. d) Conversion price: HK$35.15. Fx: 7.724HK$/$. Callable at 104.25% in year 1; 103.40% in year 2 and 102.55% in year 3. f) Issue of mortgage-backed structured term securities and amount includes $16m of zero coupon participating notes. Coupon pays 100bp + 3-month Libor. Fees Undisclosed. i) Amount increased from $70m. Fees Undisclosed. j) Short first coupon. Coupon pays fixed 3.5% between 22.11.93 & 22.2.93 then 30bp + 6-month Yen Libor thereafter. m) Exercisable into bearer shares in CS Holding. n) Coupon pays 6-month Libor + 1.60%. o) Undated step-up subordinated FRN. Coupon pays 3-month Libor + 1.625% in years 1-5, then 3-month Libor + 2.65% thereafter. p) Coupon rises to 6.875% in years 11-20. Put option at par from year 10. q) Short first coupon. r) Samurai bond. s) Matador bond. t) Conversion price: Y2440. Fx: 72.41Y/SFr. u) Global issue. Short first coupon. v) Coupon pays 3-month Libor + 2.00%. Fees undisclosed. w) Initial coupon of 6-month Libor + 0.43% then 8% fixed thereafter. Callable at 100% on 10/12/98. x) Samurai Bond. Tranche A of Y100bn issue. z) Short first coupon. One-off investor put option at par on 7/3/97. Initial annual coupon of 2.7% until 7/3/97 then pays 6-month Libor - 0.125%. A) Short first coupon. Initial semi-annual coupon of 3.4% until March 1997 then pays 6-month Libor - 0.125%. B) Coupon pays 3-month Libor + 0.35%. C) Coupon pays 3-month Libor + 0.125%. D) Coupon pays 3-month Libor + 0.20%. Callable after year 10 at par. E) Coupon pays 6-month Libor + 0.30%. F) Subordinated issue. Issue carries a 3 year call; subject to 140% rule, or par. Fixing 23/11/93. G) Coupon pays 6-month Libor + 2.00%. H) Coupon pays 3-month Libor + 2.45%. I) Coupon pays 6-month Libor + 0.1675%. J) Fungible 40 days after payment date with existing C$110m. K) Short first coupon. Callable at 100% in 2006 and rising annually to 117.51% at redemption. L) Coupon pays 6-month Libor + 2% for first 5 years and 3.60% thereafter. Amount increased from £150m. Subordinated issue. Callable at par on any coupon date from September 1998. Note: Yields are calculated on ISMA basis.

EQUITY MARKETS: This Week

NEW YORK

Patrick Harverson

Bank shares may suffer further fall



Source: FT Graphite

Although this will be a holiday-shortened week (the markets are shut on Thursday for Thanksgiving and will close at 1pm on Friday), investors and traders should have plenty to chew on over the next few days.

October durable goods data, due out on Wednesday, are expected to provide further evidence that economic activity is picking up. But the stock markets may not find much cheer in the numbers if, as in the past few weeks, the news unsettles inflation-sensitive bond investors and pushes long-term interest rates higher.

The steady rise in rates has put the brake on the long rally in bank stocks. One of the reasons the Federal Reserve cut interest rates between 1990 and 1992 was to bail out the ailing banking industry by providing banks with huge interest margins.

The rate cuts had the desired effect, but now, with rates rising, banks will have to wean themselves off their fat margins. Their earnings performance, which has been impressive recently, will undoubtedly suffer as a result. Bank stocks, which stumbled last week, could fall further before the week is over.

There is little corporate news due out, although the takeover battle for Paramount Communications will enter a new phase with the offers of rival bidders Viacom and QVC Network both due to expire this week.

Investors will also be keeping an eye on airline stocks in the light of the flight attendants strike at American Airlines, which unions plan to extend into the busy Thanksgiving weekend – traditionally, the busiest travel period in the year.

Stocks traded on the Nasdaq market are looking vulnerable at the moment. Nasdaq lists a lot of smaller-capitalised, growth-oriented companies, many in the technology, communications and healthcare sectors.

Their shares performed well when the economy was seen to be struggling, because investors liked their potential for earnings growth, but in recent months they have lagged the broader market.

Last week, while the Dow Jones Industrial Average and the Standard & Poor's 500 index held their own near record highs, the Nasdaq composite fell 3.56 per cent, and its performance over the year now lags behind the main indices.

With economic growth picking up pace, the tide of investment sentiment may be moving decisively against small-cap stocks in favour of the giants of the Dow and S&P. Finally, the market for initial public offerings is worth watching. Over the past fortnight the IPO market has seen a couple of big successes - most notably, the flotations of the restaurant chain Boston Chicken and the clothing retailer Talbots.

Both benefited from hype and heavy speculative buying, leading some observers to warn that the IPO market (and with it the secondary market) may be in danger of overheating.

LONDON

Terry Byland

Hopes of recovery face test

Source: FT Graphite

The focus of attention on the London stock market will swing back towards the corporate front this week as the pre-Budget equity account draws to a close and US markets close down for Thanksgiving Day.

Company results have yet to produce the signs of business recovery the stock market has been seeking throughout this year. But this week could prove a turning point.

The City's – and Downing Street's – hopes for a consumer-led economic recovery will be put to the test when Allied-Lyons, Northern Foods, Kwik Save and Tate & Lyle deliver their latest trading figures.

Overhanging the brewery and food sectors is the threat of changes in VAT or excise duties in the Budget which Mr Kenneth Clarke will deliver only days after the companies report profits, and just before the Christmas selling season.

Northern Foods, high quality, domestically-orientated and an important supplier to Marks & Spencer and other high street leaders, has paid the penalty for these characteristics by underperforming the stock market in the past 12 months. Any good news from Northern Foods will be welcome but the market is not enthusiastic, aiming for a rise of under 7 per cent to around £73m pre-tax.

From Allied-Lyons, a dull statement seems to be the best hope. The group is perceived as facing a tough business environment, retail margin pressures and nervousness over Mr Clarke's intentions for drink taxes.

But a straw in the wind may have been Whitbread's revelation last week that pub food was the prime boost to its profits expansion. The market's response to Allied-Lyons' statement will set the pace for Grand Metropolitan, Guinness and the other leaders of the sector.

Tate and Lyle, the world's largest sugar company and a big player in the US, will offer valuable evidence on the progress of economic recovery across the Atlantic. UK investors might be behind the times here, since the shares were badly hit by a fairly cautious trading statement from the board last September. Market expectations of full-year profits are tightly bunched around £220m.

Analysts are looking for £125m –£128m from Kwik Save, the discount supermarket group. The shares have underperformed even the badly mauled food retailing sector recently, caught between price cutting initiatives of the leading chains and the exposure given to the new discounting groups. Analysts will be focusing on the growth in like-for-like sales and margins.

Prospective p/e ratio

The latest prospective p/e ratio for the "500" index for calendar 1993 is 16.0 according to IBES, the consensus estimates service (last week: 16.1). This compares with an IBES estimated p/e for the "500" of 20.6 (20.7) for calendar 1992. The official FT calculation of the historic p/e, based on the latest reported earnings, is 19.87 (19.79).

OTHER MARKETS

TOKYO

Technical selling is feared in equities after the downward break through 18,000 in the Nikkei-225 on Friday. Dealer support is expected to be limited by the Labour Thanksgiving holiday tomorrow, and ahead of interim earnings from the banking sector on Thursday and Friday.

FRANKFURT

Autumn press conferences approach a nervous market from BASF on Monday, and Bayer on Thursday. Twelve days ago the third of the "Big Three" German chemical companies, Hoechst, saw profits down 40 per cent after nine months and a worse performance in the September quarter. Wednesday and Thursday bring conferences at Metallgesellschaft and Commerzbank, with hopes of a dividend rise at the latter.

PARIS

After rising French consumer expenditure in September, and in the third quarter of 1993, James Capel expects a decline of 0.3 per cent in October as an increase in social security contributions depresses disposable income.

ZURICH

November CPI figures for Basle and Geneva are due this week. Smith New Court expect falling Swiss rents will help to depress the indices to around 2.5 per cent from the 3.4 per cent recorded in October, providing further evidence of the improvement in the domestic economy.

A raft of press conferences include ABB and Merck on Tuesday; Nestlé is expected to give sales forecasts, and Alusuisse nine-month sales figures, at their autumn news conferences on Wednesday.

STOCKHOLM

Nine-month results from the ABB Asea Brown Boveri, Swedish/Swiss engineering combine are expected in Sweden and in Switzerland. Analysts expect ABB to report a slightly lower profit for the period, while forecasts for the full year remain reasonably positive, particularly in light of the economic situation prevailing in Europe.

RISK AND REWARD

Charging the right price for futures fund performance

Investors buy futures funds because they promise high returns. On the basis of those returns, futures fund managers charge fees which dwarf charges in most other areas of the fund management industry.

But are these fees really justified? A growing number of observers, and even some managers within the industry, think not. Certainly, the high level of fees has had a negative impact on the growth of the futures fund industry, by discouraging institutions from investing in such funds. Most investors are high net worth individuals, who may not look too closely at fees so long as returns are attractive. However, when their fund's performance is disappointing, fees frequently become an issue.

Standard fees for futures funds are 2 to 4 per cent for management, with performance fees of 15 to 25 per cent. The performance fees are charged on any profits, so even a return which only equals Treasury bill rates is stripped of this fee.

"There are very few futures fund managers who consistently produce excellent returns for investors," said Ms Nicola Meaden of Tass Management, which tracks futures funds' performance. "[Those who do] have a strong case for justifying those levels, but for the industry as a whole I believe the fees are too high."

The timing of performance fees also causes some frustration. Some managers take fees every month, while others wait until the end of the year. The former, though, can earn performance fees even if their fund ends down on the year.

Most futures funds are multi-manager funds – that is, an overall manager divides assets between a group of futures fund managers, known in the jargon as CTAs or commodity trading advisers. If there are six trading advisers and two make a profit, performance fees have to be paid to them even though the fund is down overall. However, some futures fund managers do not pass this charge on to investors.

So are there any signs of change? Fees have come down slightly in the past few years, and there is increasing pressure from the hedge fund market, where management fees are about 1–2 per cent. Hedge funds have performed well this year and are proving more successful in attracting institutional investors.

Futures funds have also had a good year. According To Tass, the average return for the year to the end of October was 15.37 per cent. But there is a large range in performance, with some funds down as much as 50 per cent and others up as much as 100 per cent.

"We only deserve to get paid if we perform," said Mr Robin Edwards, a managing director of Sabre Fund Management, whose funds are up some 20 per cent in the year to end-September. "There are people who don't perform. They don't last in the business."

He also points out that unit trusts in the UK charge relatively high fees (around 5 per cent up front, with a 1–1½ per cent annual management charge) often for doing no more than tracking an index.

If futures fund managers are serious about wanting to attract more institutional money, they will need to address the issue of fees.

"I don't see why anyone should be paid a performance fee if their performance is paltry," says Mr David Moore, a director of Credit Lyonnais Rouse, which appoints external manage for its funds. "It would make sense if there were a threshold – such as the T-bill rate – below which there would be no performance fee."

Given that investors are taking a far greater risk by investing in futures funds than by putting their money in US Treasury bills, this only seems fair.

Tracy Corrigan

INDICES AT A GLANCE

	Closing price	Percentage Change: Over week	Percentage Change: On 12 months	Percentage Change: Since Jan 1	12 month: High		12 month: Low		1993: High		1993: Low	
FT-SE 100	3,108.0	+0.3	+14.8	+9.2	3,199.0	22/10/93	2,706.2	19/11/92	3,199.0	22/10/93	2,737.6	19/1/93
Dow Jones Ind.	3,694.01	+0.3	+15.1	+11.9	3,710.77	16/11/93	3,209.53	19/11/92	3,710.77	16/11/93	3,241.95	20/1/93
Nikkei	17,941.19	-3.0	+8.3	+7.8	21,148.11	13/9/93	16,287.45	25/1/93	21,148.11	13/9/93	16,287.45	25/1/93
Dax	2,077.37	+3.1	+33.9	+34.4	2,095.58	2/11/93	1,469.75	14/12/92	2,095.58	2/11/93	1,516.50	13/1/93
CAC 40	2,145.23	+2.3	+24.6	+15.5	2,231.86	22/10/93	1,674.77	28/11/92	2,231.86	22/10/93	1,772.21	29/1/93
Banca Com. Ital.	544.31	-0.4	+17.1	+21.9	632.86	30/8/93	404.25	15/12/92	632.86	30/8/93	446.36	1/1/93

FT Graphite

LEGAL NOTICES

No. 009127 of 1993
IN THE HIGH COURT OF JUSTICE
CHANCERY DIVISION
IN THE MATTER OF BRYANSTON INSURANCE COMPANY LIMITED
- and -
IN THE MATTER OF THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that by an Order dated the 28th day of October 1993 made in the above matter the Court has directed a Meeting of the Scheme Creditors (as defined in the Scheme of Arrangement hereinafter mentioned) of the above-named Company (hereinafter called "the Company") to be convened for the purpose of considering and, if thought fit, approving (with or without modification) a Scheme of Arrangement proposed to be made between the Company and its Scheme Creditors and that such Meeting will be held at Glaziers Hall, 9 Montague Close, London Bridge, London SE1 9DD, England on Thursday the 20th day of January 1994 at 2.00 pm at which place and time all the aforesaid Scheme Creditors are requested to attend.

Any person who is or believes that he may be entitled to attend the said Meeting can obtain copies of the Scheme of Arrangement, the Explanatory Statement required to be furnished pursuant to Section 426 of the above-mentioned Act, and Forms of Proxy from the Company at Trinity House, Russell Street, Gloucester, GL1 1HL, England (Telephone: 0452 528691 or if outside the United Kingdom (44) 452 528691) or Price Waterhouse, 200 East Randolph Street, Chicago, Illinois 60601, USA (Telephone: 312 540 2515) during usual business hours on any day (other than a Saturday, Sunday or a public holiday) prior to the day appointed for the said Meeting.

Scheme Creditors may vote in person at the said Meeting or they may appoint another person, whether a Scheme Creditor of the Company or not, as their proxy to attend and vote in their stead.

It is requested that forms appointing proxies be lodged with the Joint Provisional Liquidators, Bryanston Insurance Company Limited, PO Box 102, Gloucester, GL1 1YL, England and fax no: 0452 301387 (or if outside the United Kingdom (44) 452 301387) not less than 48 hours before the time appointed for the said Meeting but if forms are not so lodged they may be handed to the Chairman at the said Meeting. A faxed copy of the form will be accepted subject to receipt of the original within 14 days of the meetings.

By the said Order the Court has appointed Richard Claude Boys-Stones or failing him Colin Graham Bird to act as Chairman of the said Meeting and has directed the Chairman to report the results thereof to the Court.

The said Scheme of Arrangement will be subject to the subsequent approval of the High Court of Justice.

DATED this 11th day of November 1993
Stephenson Harwood
One St. Paul's Churchyard
London EC4M 8SH
Solicitors for the Company.

No. 009128 of 1993
In the High Court of Justice
Chancery Division
IN THE MATTER OF ANDREW WEIR INSURANCE CO LTD
and
IN THE MATTER OF THE COMPANIES ACT 1985

NOTICE IS HEREBY GIVEN that by an Order dated the 28th day of October 1993 made in the above matter the Court has directed a Meeting of the Scheme Creditors (as defined in the Scheme of Arrangement hereinafter mentioned) of the above-named Company (hereinafter called "the Company") to be convened for the purpose of considering and, if thought fit, approving (with or without modification) a Scheme of Arrangement proposed to be made between the Company and its Scheme Creditors and that such Meeting will be held at Glaziers Hall, 9 Montague Close, London Bridge, London SE1 9DD, England on Friday the 21st day of January 1994 at 11.30 am at which place and time all the aforesaid Scheme Creditors are requested to attend.

Any person who is or believes that he may be entitled to attend the said Meeting can obtain copies of the Scheme of Arrangement, the Explanatory Statement required to be furnished pursuant to Section 426 of the above-mentioned Act, and Forms of Proxy from the Company at Ibex House, Minories, London EC3N 1JB, England (Telephone: 071 488 3889 or if outside the United Kingdom (44) 71 488 3889) or Price Waterhouse, 200 East Randolph Street, Chicago, Illinois 60601, USA (Telephone: 312 540 2059) during usual business hours on any day (other than a Saturday, Sunday or a public holiday) prior to the day appointed for the said Meeting.

Scheme Creditors may vote in person at the said Meeting or they may appoint another person, whether a Scheme Creditor of the Company or not, as their proxy to attend and vote in their stead.

It is requested that forms appointing proxies be lodged with the Joint Provisional Liquidators, Andrew Weir Insurance Company Limited, Ibex House, Minories, London EC3N 1JB, England and fax no: 071 702 4815 (or if outside the United Kingdom (44) 71 702 4815) not less than 48 hours before the time appointed for the said Meeting but if forms are not so lodged they may be handed to the Chairman at the said Meeting. A faxed copy of the form will be accepted subject to receipt of the original within 14 days of the meeting.

By the said Order the Court has appointed Richard Claude Boys-Stones or failing him Colin Graham Bird to act as Chairman of the said Meeting and has directed the Chairman to report the results thereof to the Court.

The said Scheme of Arrangement will be subject to the subsequent approval of the High Court of Justice.

DATED this 11th day of November 1993
Stephenson Harwood
One St. Paul's Churchyard
London
EC4M 8SH
Solicitors for the Company

ART GALLERIES

S.J. PEPLOE, major works. Exhibition until Dec 12th. Duncan R. Miller Fine Arts, 17 Flask Walk, NW3 071-435 5462

EMERGING MARKETS: This week

The Emerging Investor/ Stephen Fidler

Primary beneficiaries of the passage of Nafta

The passage of the North American Free Trade Agreement may not herald a Latin American stock market boom, but it sure helped avoid a bust. A collapse of the agreement would have battered the Mexican stock market and the other Latin American markets would have suffered in its wake.

Worse, for longer-term market prospects, it would have threatened the Mexican government's economic strategy. Many economists believed capital outflows from Mexico after Nafta's demise would have made a devaluation difficult to avoid.

A Mexican devaluation would have worried holders of the Argentine peso, whose parity with the US dollar is the bedrock of Argentina's anti-inflation strategy. Economic problems would probably have engulfed Latin America's second economy – Mexico – and its third – Argentina.

The largest economy – Brazil – meanwhile, is so preoccupied with domestic, political and economic difficulties that Nafta's failure would hardly have registered. The Brazilian market rallied last week, not because of Nafta, but because many Brazilians see it as the best place to hold capital in the face of the shock economic programme they now view as likely.

Of course, Nafta guarantees nothing. As investors were reminded on Friday as the US stock and bond markets tumbled, continued flows of capital from the US into Latin American markets depend to a large part on investors avoiding panic at home.

Nonetheless, its passage continues to provide a reason for institutional investors to look to the region to boost returns. For Latin American economies, the major consequence of Nafta is probably the boost it gives to the Uruguay round of multilateral trade negotiations. But says Ms Tamzin Hobday, Latin American strategist at Baring Securities in New York: "From the market perspective, the important issue is that it provides support for the kind of economic model Latin American economies have been following."

It should reinforce incentives, she and others suggest, for Latin governments to continue to pursue free trade and market-oriented economic policies. Yet in stock market terms, the impact of Nafta's passage will be far from equal across the hemisphere.

Most observers believe that two markets, other than Mexico's, will be the primary beneficiaries: Argentina and Chile. More peripheral markets such as Colombia and Peru may also benefit, some reckon. But most analysts think Venezuela or Brazil have little to gain, and Brazil might even be a loser.

Chile and Argentina have been identified by US officials, in that order, as the next candidates to join Nafta, and both governments are clearly interested in the prospect. These two countries are most like Mexico in terms of economic policy, and have inflation more or less under control. In trade terms, both have much less to gain from Nafta than Mexico. Only about 14 per cent of Argentina's exports go to the US, and 17 per cent of Chile's, compared with 73 per cent of Mexico's and 23 per cent of Brazil's. Yet the reduced risk of a reversal of economic strategy with Nafta on the cards is viewed by analysts as definitely helping flows to the stock market.

Mr Geoffrey Dennis, head of emerging markets equity research at Bear Stearns in New York, sees the price to earnings multiple of the Buenos Aires market falling from 18 this year to 14 next. The benefits of corporate restructurings brought about by the country's economic programme should begin to flow through to earnings in 1994, he believes.

In the Chilean market, the average p/e should slip from 17 to 14. Mexico's current p/e is about 14.5, but could rise with a market rally to 16.5 by the year end, Mr Dennis says.

On the other side of the coin, Venezuela is so wrapped up with domestic preoccupations that it is unlikely to benefit much, even though US officials consistently suggest it could follow Chile and Argentina into the agreement.

With two military coup attempts last year and presidential impeachment proceedings this year, Venezuela faces presidential, congressional and municipal elections on December 5. A populist is leading in most published opinion polls, and even if he does not win, the new Venezuela Congress is likely to be fragmented and ill-disposed to economic reform.

As for Brazil, it may be the one large economy in the region that will suffer from the passage of Nafta, since its mix of export products is very similar to Mexico's. "Mexico's tariff-free access to this important market cannot be good for Brazil," says Mr Stephen Rose of the London-based Stephen Rose & Partners, a broker specialising in the Argentine and Brazilian markets.

Both politically and economically, Brazil seems the last in line to accede to Nafta. Politicians and bureaucrats in Brasília are absorbed in the country's domestic turmoil. When they think about it, they are suspicious of Nafta, reckoning the North Americans should stick to North America.

BARING SECURITIES EMERGING MARKETS INDICES

Index	Friday's value	Week on week movement Actual	Week on week movement Percent	Month on month movement Actual	Month on month movement Percent	Year to date movement Actual	Year to date movement Percent
World	135.53	+2.34	+1.76	+9.20	+7.26	+34.47	+34.11
Latin America							
Argentina	102.27	-3.84	-3.61	+11.82	+13.07	+28.01	+37.72
Brazil	122.23	+6.17	+6.11	-12.26	-9.12	+44.32	+56.69
Chile	124.51	-2.08	-1.65	+4.74	+3.96	+15.22	+11.88
Mexico	124.58	-2.04	-1.61	+7.91	+6.78	+6.84	+5.81
Latin America	122.17	+0.52	+0.42	+3.58	+3.02	+21.81	+21.73
Europe							
Greece	81.31	-0.98	-1.19	-1.52	-1.83	+11.15	+15.90
Portugal	112.01	-0.50	-0.45	+3.79	+3.51	+28.01	+33.34
Turkey	121.33	-0.34	-0.28	-13.26	-9.85	+64.47	+125.25
Europe	102.79	-0.56	-0.56	-2.78	-2.63	+32.67	+46.60
Asia							
Indonesia	141.37	-1.03	-1.03	+1.56	+1.11	+43.92	+45.08
Korea	88.00	-0.35	-0.38	+1.33	+1.54	-0.61	-0.69
Malaysia	206.50	+1.61	+1.81	+21.69	+11.73	+77.47	+60.04
Philippines	224.32	+7.64	+7.64	+43.60	+24.13	+101.86	+83.17
Thailand	203.71	+11.40	+11.40	+62.55	+34.76	+81.45	+66.62
Taiwan	98.71	+7.36	+7.36	+12.25	+14.17	+22.76	+29.96
Asia	170.45	+3.85	+3.88	+22.45	+15.17	+57.06	+51.39

Source: Barings Securities

Ten best performing stocks

Stock	Country	Friday close	Week on week change $	Week on week change %
Alarko Holding	Turkey	1.0815	+0.24	+27.90
Teletas	Turkey	1.009	+0.20	+24.80
Polysindo Eka Perkasa	Indonesia	2.8561	+0.54	+23.49
Grupo Financiero Bancomer	Mexico	1.7926	+0.30	+20.31
Cifra (B)	Mexico	2.8809	+0.46	+19.18
Eregli Demir Ve Celik	Turkey	0.3929	+0.05	+16.17
Yape Ve Kredi Bankasi	Turkey	0.3749	+0.05	+15.88
Int.Container Term.Serv.	Phil.	1.4085	+0.19	+15.62
Grupo Finciero Banamex-Accival	Mexico	6.9622	+0.87	+14.33
Banco Francesw	Argentina	10.9703	+1.36	+14.13

Source: Baring Securities

● **Taiwan: Equities are expected to remain nervous ahead of local elections this weekend.**

● **Greece: Proodeftiki, a construction company, launches a share issue on the Athens market tomorrow.**

● **Poland: The market has been weakening ahead of the public offering in Bank Slaski.**

● **Lebanon: The Bank of Lebanon is aiming to revive the country's shattered financial markets, and hopes to raise $30bn through domestic and foreign investment.**

News round-up

■ Hong Kong

It has been an interesting time for Hong Kong watchers over the past few days: Morgan Stanley's Barton Biggs cut his weighting in the equity market, Nomura's Nick Knight increased his and Goldman Sachs downgraded Hong Kong Telecom, one of the key stocks.

This week could be just as uneasy – the Hang Seng index dropped back 4.5 per cent last week – as investors wait to see if US money continues flowing. Some analysts suggest that, in any case, the market may consolidate before a traditional rally prior to the Chinese new year.

■ Bangkok

TelecomAsia has fixed the offer price of its sale of 223m shares at Bt55 a share, making it Thailand's biggest public offering, valued at Bt12.3bn.

The offer period for the telecommunications group will take place this week with the shares due to be listed by mid-December. Half the shares will be offered to Thai investors and half to overseas institutions. The company will have the market's second biggest capitalisation, following Bangkok Bank.

■ Moscow

Russia's biggest single oil producer is being offered for sale to domestic investors via a public auction. Surgutneftegaz, a Siberian company, is offering 12.06 per cent of its shares, but foreigners are not permitted to subscribe. They will, however, be able to invest up to 15 per cent in parent group Yukos when that is floated in due course although no date for that has been set.

■ Bratislava

Daily trading and weekly auctions in the country's over-the-counter market are expected to be introduced from January. RMS Slovakia AS, which manages trading on the OTC, commented that this would replace the current monthly auctions and hoped to attract both retail and institutional investors.

■ Turkey

Foreign investment trusts and mutual funds purchasing shares in Turkey are to be exempted from corporate and witholding tax. Mr Stuart Harley of Schroders said the decision clarified what had been a grey area. Overseas investors have been very active in the Istanbul market this year, while declining short-term interest rates have prompted domestic investors to switch into equities.

■ Venezuela

The government has suspended the privatisation programme two weeks ahead of general elections. President Ramon Velasquez said a decision on how to proceed with the programme would be taken by the new administration when it takes office on February 2.

The proposed flotation of Aeropostal, the state airline, is among the casualties.

■ Zimbabwe

Zimbabwe, added to the IFC's emerging market's index last week along with China, is beginning to attract a limited amount of foreign interest, although it still remains very illiquid. The industrial index of some 50 stocks has been recovering this year after a steep fall in 1992 because of a severe drought.

■ PNG

Another new addition to the list of the world's emerging markets could come about later next year after the government here said that if there was enough interest from brokers and dealers a stock exchange could become operational.

Currencies

Possible renewed pressure on D-Mark

After weakening early last week on a larger-than-expected drop in the German repo rate, the D-Mark won a reprieve late in the week on Bundesbank signals that it will not accelerate the pace of monetary easing, *writes Conner Middelmann*. However, this week's German inflation and money- supply data could exert renewed pressure on the D-Mark by fuelling more talk of near-term rate cuts.

"As the Bundesbank continues easing short-term rates, we expect the US dollar and most European currencies to firm against the D-Mark," said Mr Thorsten Neufeld, economist at DB Research, Deutsche Bank's research subsidiary in Frankfurt.

Germany's two-week repo rate fell by nine basis points to 6.29 per cent last Tuesday, prompting talk that the Bundesbank was shifting into a more aggressive easing gear to revive the flagging economy. Two days later the Bundesbank announced a fixed-rate repo at 6.25 per cent, indicating that while it continues to loosen its monetary reins, it will only do so very gradually.

However, October M3 money supply – expected to come in around the top of the Bundesbank's 4.5 per cent to 6.5 per cent target range – and November inflation, expected to have slowed to about 3.7 per cent year-on-year from 3.9 per cent in October, may revive easing speculation.

Amid the accelerating recovery in the US economy and OECD calls for increases in the rate there, this means the D-Mark is set to weaken further against the US dollar. Mr Chris Turner, currency strategist at BZW, expects the dollar to reach DM1.75 by year-end and to climb to around DM1.85 on a six-month view.

The D-Mark also looks set to weaken against some of the core currencies in Europe's exchange rate mechanism. "Some of these currencies – notably the French and Belgian francs and the Danish krone – are headed back towards their old ERM trading bands" against the D-Mark, said Mr Neufeld.

Despite last week's aggressive rate cuts, the Belgian franc briefly breached the BFr21.0950 floor of its former 2¼ per cent trading band against the D-Mark.

France is one of the few European countries not to have cut short-term rates last week and is expected to continue tracking the Bundesbank's cautious easing course, although many are calling for a cut in its 6.45 per cent intervention rate on the back of the currency's strength. The franc closed at FFr3.4690 on Friday.

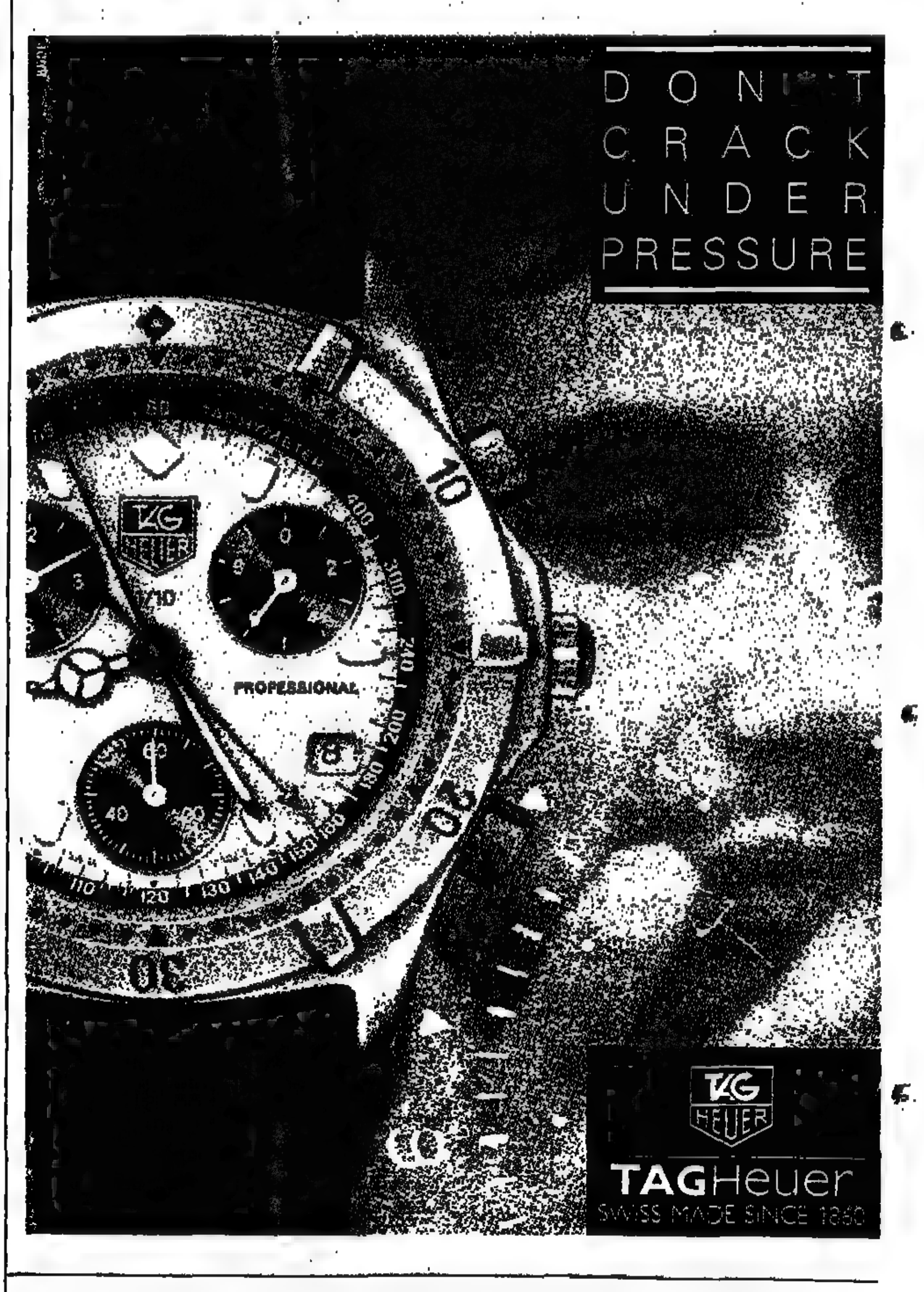
FT GUIDE TO WORLD CURRENCIES

The table below gives the latest available rates of exchange (rounded) against four key currencies on Friday, November 19, 1993. In some cases the rate is nominal. Market rates are the average of buying and selling rates except where they are shown to be otherwise. In some cases market rates have been calculated from those of foreign currencies to which they are tied.

		£ STG	US $	D-MARK	YEN (X 100)
[illegible]	[illegible]	[illegible]	[illegible]	[illegible]	[illegible]

Special Drawing Rights November 18, 1993 United Kingdom £0.940231 United States $1.39079 Germany D Mark2.37616 Japan Yen148.745 European Currency Unit Rates November 19, 1993 United Kingdom £0.760512 United States $1.12252 Germany D Mark1.92787 Japan Yen121.178

Abbreviations: (a) Free rate; (b) Banknote rate; (c) Commercial rate; (d) Controlled rate; (e) Essential imports; (g) Financial rate; (h) Exports; (i) Non commercial rate; (j) Business rate; (k) Buying rate; (l) Luxury goods; (m) Market rate; (n) Public transaction rate; (o) Official rate; (p) preferential rate; (q) convertible rate; (r) parallel rate; (s) Selling rate; (t) Tourist rate; (u) Currencies fixed against the US Dollar; (v) Floating rate; ⁑ CIS applies to states in the Rouble Zone.
Some data supplied by Bank of America, Economics Department, London Trading Centre. Enquiries: 071 634 4360/5. Friday, November 19, 1993



Weak demand hits two Japanese audio makers

By Michiyo Nakamoto in Tokyo

Japan's audio makers were battered by a sluggish consumer spending and the sharp rise of the yen in the first half of 1993.

Pioneer, the specialist audio and laser disc maker, suffered an operating loss of Y1.25bn, although foreign exchange gains helped it to report a pre-tax profit of Y3.35bn.

Meanwhile, Kenwood, the specialised audio maker, reported a pre-tax loss of Y2.46bn, hit by the rise of the yen and downturn in consumer spending. The company is passing its interim dividend.

Pioneer saw sales drop 16 per cent to Y173.4bn, compared with Y205.5bn previously, in the face of slow consumer spending in Japan and a decline in demand for its commercial use laser disc karaoke systems.

Sales of audio products in North America and Europe and of car audio product in Europe were particularly depressed, the company said.

However Pioneer's gains from currency hedging helped it to avoid a pre-tax loss.

Kenwood saw falling demand in its audio and telecommunications business, which was particularly hard hit in Japan with a drop of 23 per cent.

Overall sales totalled Y96.4bn, down 10 per cent from the Y107.2bn made previously.

Pioneer is forecasting a 9 per cent decline in full-year sales to Y349bn and a 58 per cent drop in pre-tax profits to Y7bn. Kenwood expects full-year sales to fall to Y204bn from Y210.6bn and pre-tax profits to be Y1bn, down from Y4.0bn.

● Buoyant demand for mobile phones helped Kyocera, the maker of semiconductor components and electronic parts, report a 1.9 per cent rise in sales in the first half.

Strong demand for electronic equipment from cellular phone companies helped that division push sales up 20 per cent.

In contrast, demand for fine ceramics, semiconductor devices and precision instruments fell in the face of the economic slump.

Overall sales came to Y150.4bn but pre-tax profits were down 6 per cent to Y17.4bn from Y18.4bn due to a decline in non-operating income. Operating profits were up 6 per cent to Y11.4bn from Y10.7bn.

Kyocera forecast full-year sales of Y305bn, up 1.5 per cent from the previous year, and pre-tax profits of Y35.4bn, down 7 per cent.

Yamaha profits 24.2% down at halfway mark

By William Dawkins in Tokyo

Yamaha, the world's largest producer of musical instruments, hit a discordant note, with first-half profits nearly a quarter down.

Pre-tax profits declined by 24.2 per cent to Y2.93bn ($27.4m) in the six months to September, a reflection of a saturated domestic market for pianos, sluggish consumer spending and the reduction in the yen value of export earnings caused by the Japanese currency's rise in value.

Yamaha posted a 58.7 per cent fall in profits for the year to last March which prompted a boardroom coup, after union demands that management accept responsibility.

But the group's fortunes appear to have taken a dive since the end of the first half. It is making losses in the current half, on the basis of Yamaha's forecast of a taxable profit of Y1bn for the full year to next March, nearly a third of the Y2.8bn made last year, on sales of Y320bn.

First-half sales this year fell 4.8 per cent to Y172.14bn.

Yamaha announced an unchanged interim dividend of Y3 a share, more than twice covered by per-share earnings of Y6.31, down from Y8.89 a share in the same period of last year.

Paramount poison pill decision likely today

By Patrick Harverson in New York

A US court is expected to rule today on the legality of the "poison pill" provisions in the $9.7bn merger agreement between entertainment group Paramount Communications and the television cable company Viacom.

QVC Network, a home shopping channel which has made a rival $10.6bn bid for Paramount, has asked the Delaware Chancery Court to throw out the provisions, which are designed to make it prohibitively expensive for QVC to buy Paramount if the agreed merger with Viacom collapses.

The court can throw out the poison pill provisions if it rules that the merger agreement between Paramount and Viacom is not a strategic alliance, as the two companies contend, but a straightforward sale of Paramount to Viacom.

QVC argues that if Paramount is up for sale, it should be sold to the highest bidder.

In a separate move, QVC sent a letter over the weekend to the Paramount board claiming it had obtained the financing for its $10.6bn offer, and asking the board to begin negotiations.

The Paramount board had previously rejected QVC's higher offer on the grounds that it was conditional upon QVC obtaining $3bn in bank loans.

Wall Street analysts, however, believe that Viacom will triumph in the battle for Paramount.

Late last week, Paramount's shares fell on the New York Stock Exchange as investors anticipated that the Delaware court would reject QVC's call to throw out the poison pill provisions in the Viacom-Paramount agreement.

Analysts believe QVC's only chance of success is to significantly raise its own bid.

● Lee Iacocca, former Chrysler chairman, sold another $31m worth of Chrysler stock last month, according to documents filed with the Securities and Exchange Commission.

Morgan Stanley looks again at China

By Antonia Sharpe

Morgan Stanley's decision last week to tone down its bullish stance towards China has taken the shine off Hong Kong's dazzling stock market.

Hong Kong has been propelled to record highs this year by a huge inflow of funds from international investors seeking an exposure to China's booming economy.

Since China's stock exchanges are still at an early stage in their development, Hong Kong's liquid stock market is widely regarded as a proxy for China.

The Hang Seng index, the barometer of the Hong Kong stock market, reached a record high of 9,733.34 on Monday last week but by Friday it stood 4.8 per cent lower at 9,263.94, mainly in response to Morgan Stanley's shift in strategy.

Morgan Stanley's decision to reduce its exposure to Hong Kong comes a little over one month after Mr Barton Biggs, its emerging markets strategist, returned from China, saying: "After eight days in China I'm tuned in, overfed and maximum bullish."

In addition, Morgan Stanley actively promoted its positive stance towards China last month when it arranged a series of international convertible bond issues for Chinese companies.

Last week, Mr Biggs cut Hong Kong's weighting in his emerging markets model portfolio from 16 per cent to 10 per cent. In a research document entitled "Hong Kong: Pausing for Breath", Mr Biggs wrote: "Momentum investing is great stuff, but the craziness content in the magic of China is beginning to look like a bubble and smell like a tulip."

"To mix metaphors still further," he continued, "taking a third of our chips off the table while the game is still wild and woolly seems sensible."

Mr David Roche, Morgan Stanley's global strategist, said yesterday that Hong Kong had lost some of its attraction following its recent run.

But although he had cut Hong Kong's weighting from 7.2 per cent to 5 per cent in his global equity model portfolio, he was still left with a heavily overweight position towards Hong Kong.

He noted that Hong Kong's new weighting in the global portfolio was 10 times its benchmark weighting of 0.5 per cent based on gross domestic product, and more than double its benchmark weighting of 2 per cent in the Morgan Stanley Capital Index.

Mr Roche gave two further reasons: the likelihood of a mass repatriation of US funds as the US economy picks up, and a danger that China's economy could be badly damaged by a power struggle within China's leadership over economic policy.

"I am less convinced about the low-growth theory in the US," he said. In his view, the US economy will be much stronger than the consensus economic forecast and that this will create demand for capital in the US.

He noted that there had been been a huge outflow of funds from the US to other markets, around $100bn on an annualised basis, because US interest rates were low and the dollar was weak. "But this trend will reverse with a vengeance as the economy recovers and interest rates rise," Mr Roche said.

Turning to China, Mr Roche said the recent structural reform package was a "policy fudge which is indicative of a power struggle". In addition, signs of back-tracking on China's austerity programme suggested that Beijing had yielded to the coastal regions' desire for fast-paced economic growth.

Mr Roche said that as a result, there was an increased risk of a hard landing for China's economy, that power in China would be decentralised, and that wealth differentials would widen further.

"All these could lead to political instability,". Mr Roche said.

Nevertheless, Morgan Stanley believes in China's long-term potential.

"I still believe that China is the premier growth and investment story in the world . . . and that some day China will "experience the mother of all bull markets," Mr Biggs wrote.

George Weston has strong third quarter

By Robert Gibbens in Montreal

George Weston, the Weston family holding company controlling Loblaw, Canada's biggest grocer operation, as well as pulp and paper interests, posted third-quarter net profit of C$21.2m or 45 cents a share, up almost 50 per cent from C$14.2m or 27 cents a year earlier. Sales rose 5 per cent to C$3.55bn.

The profit comparison was distorted by a C$12m special charge in the 1992 period.

Loblaw and Weston Foods, a large processing unit, contributed higher sales and earnings.

Revenues at the Weston Resources' businesses were up 25 per cent to C$295m, due to an acquisition and strong timber markets, but profit dipped to C$3.9m from C$7.6m because of sharply lower results from the fisheries unit.

Weston's overall nine-month profit was C$50.6m or C$1.08 a share, up from C$24.1m or 39 cents, on revenues of C$9.06bn, against C$8.57bn.

● Nova Corp is selling its fully-owned Novalta Resources natural gas production unit to Seagull Energy, of Houston, for C$275m cash. It will book a C$120m gain on the sale.

Klöckner-Humboldt-Deutz predicts break-even for year

By Ariane Genillard in Bonn

Klöckner-Humboldt-Deutz, the German diesel engine and industrial plant manufacturer, expects to break even in 1993 despite poor results in the first half of the year.

The company said that for the full year, turnover would fall by 10 per cent to DM3.3bn ($1.95bn). In 1992 its turnover was DM3.7bn and it then broke even on a pre-tax basis.

Mr Werner Kirchgässer, the chief executive, said the company would again break even this year because of its cost-savings programme and a pick-up in business at its industrial plants divisions.

KHD said it had saved "hundreds of millions of D-Marks" by reducing its workforce and raising productivity. The company said it would continue to slim down by laying off 800 employees by the end of 1993 from its current workforce of 11,000. In 1992, the company reduced its payroll by over 2,000 employees. KDH also said it had significantly reduced material costs.

It added that while the motors and agricultural machine-tools divisions were suffering from the general slowdown in domestic and international markets, business was picking up in the industrial plants side.

Turnover in that division is expected to reach over DM1.8bn for the year, over a third of KHD's total sales. It said this would greatly improve the overall turnover, which dropped by 21 per cent in the first six months of the year.

Schindler rejigs Jardine venture

By Ian Rodger in Lucerne

Schindler, the world's second largest elevator group, is taking control of its Asian sales and servicing businesses after renegotiating a series of joint ventures with Jardine Pacific.

A new venture, Jardine-Schindler Holdings, owned equally by the two partners, with Schindler having a call option to raise its holding to majority status, will take over from January 1.

Since 1974, Jardine has had a 60 per cent stake in its ventures with Schindler. Early last year, Schindler publicised its frustration with this arrangement, which it felt was inhibiting its development in the world's fastest growing markets.

"We cannot afford to invest a lot if we do not have a real joint venture where we can manage our own business," Mr Alfred Schindler, chairman, said in an interview.

Mr Schindler said the group paid a cash sum to Jardine and expected to exercise its option to take control of the new venture in two to five years.

As part of the new arrangements, the Jardine-Schindler venture loses its exclusive rights to represent Schindler in China, where the Swiss group has two joint ventures with local partners.

David Jones may be sold or refloated

By Nikki Tait in Sydney

David Jones, the upmarket Australian department store business owned by the troubled Adelaide Steamship group, could be refloated or sold, according to its parent.

Adsteam also told shareholders at its annual meeting the price for the retail interests "must reflect the real and potential value of such a flagship business", and gave no hints on the timing for such a move.

There has been speculation that there might be a sale in 1994-95, and that a float of the department stores could raise around A$500m (US$326.7m). Adsteam has already disposed of its other major retail interest, in Woolworths, via a multi-billion dollar flotation.

Meanwhile, Adsteam is selling the core business of its Metro Meat unit to CITIC Australia for an undisclosed amount. The deal, subject to Foreign Investment Review Board approval, should close in early-1994, and be close to book value. CITIC is the Australian investment vehicle for Beijing-controlled China International Trust and Investment Corp.

WORLD STOCK MARKETS

AUSTRIA

1993 High	Low	November 19	Price Sch
2,000	1,290	Austrian Airlines	1,735
1,140	959	Bank Austria	1,045
825	409	Creditanstalt Pf	731
4,170	2,980	EA General	3,980
1,396	690	EVN	1,396
1,072	464	Lenzing	1,045
876	562	OeMV	837
1,105	760	Perlmooser Zement	960
471	290	Radex Heraklith	465
220	148	Steyr Daimler	184
364	211	Veitscher Magnesit	335
722	380	Verbund (Br) A	712
545	440	Vienna Int Airport	540
4,090	2,820	Wienerberger	3,895

BELGIUM/LUXEMBOURG

1993 High	Low	November 19	Price Frs.
2,690	2,145	AG Group	2,675
3,675	2,350	Ackermans	3,675
8,500	5,990	Almanij	8,500
4,400	1,750	Arbed	3,800
4,450	3,100	BBL	4,450
18,000	11,238	Bank Intl a Lux	17,000
24,600	13,801	Banq Gen Lux Pts	24,000
39,500	31,000	Banque Nat Belg	37,025
20,925	13,300	Bekaert	20,775
12,850	8,000	CBR Ciment	11,450
2,440	1,492	CMB	2,400
5,250	4,220	Cobepa	5,220
148	81	Cockerill Priv	142
6,570	5,020	Colruyt	6,780
1,374	1,090	Delhaize Fre Lion	1,282
8,470	5,610	Electrabel	8,280
8,590	5,480	Electrabel AFV	8,310
3,250	2,030	Electrafina ACT	3,085
3,800	2,605	GBL	3,700
3,725	2,600	GBL AFV 1	3,650
1,388	1,110	GIB Group	1,380
9,060	7,070	Generale Banque	8,930
8,750	6,210	Gevaert	8,600
4,320	2,800	Glaverbel	4,240
3,850	2,480	Immobel	3,640
7,900	5,750	Kredietbank	7,880
7,770	5,630	Kredietbank AFV	7,420
6,190	5,600	Mecaniver	6,160
1,640	1,312	Mosane	1,625
16,300	12,600	Pan Holding Lux	16,300
10,000	7,200	Petrofina	9,800
3,165	2,545	Powerfin	3,110
423	273	Recticel	372
5,700	4,025	Royale Belge	5,650
5,000	3,810	Royale Belge AFV I	5,000
2,695	1,895	Soc Gen Belge	2,455
2,555	1,900	Soc Gen Belge AFV	2,460
14,650	9,900	Sofina	13,975
1,600	1,280	Solvac	1,600
14,850	10,775	Solvay	14,175
10,000	7,750	Tractebel	9,980
25,925	20,125	UCB	24,400
2,595	1,950	Union Miniere	2,275

DENMARK

1993 High	Low	November 19	Price Kr
600	369	Aalborg Portland A	580
238	197	Bikuben	211
[illegible]	[illegible]	Carlsberg A	285
5,950	3,900	Codan	5,850
128,000	79,000	D/S 1912 A	125,500
[illegible]	610	Danisco	915
402	236	Den Danske Bank	379
190	60	East Asiatic	165
530.23	364	FLS Ind B	445
645	258.50	Great Nordic	630
226	182	ISS Int Serv B	206
381	217	Jyske Bank Reg	371
1,700	1,050	Lauritzen (J) B	1,340
272	195	NKT A/S	255
682	564	Novo Nord B	627
607	384.20	Radiometer B	597
505	400	Sophus Berend A	480
493	385	Sophus Berend B	475.40
415	320	Superfos	390
1,090	645	TopDanmark	1,000
229	110	Unidanmark A	206

FINLAND

1993 High	Low	November 19	Price Mka
132	85	Amer A	99
160	81	Cultor 1	143
44.20	19.60	Enso R	38
218	170	Huhtamaki I	188
18	6	KOP	14
44.50	20.60	Kesko	40
601	432	Kone B	521
109	53.10	Kymmene	107
205	115	Metra A	194
206	97	Metra B	190
255	108	Metsa-Serla A	240
258	92.60	Metsa-Serla B	242
344	82.10	Nokia Pref	299
86	42.60	Outokumpu A	84
110	46	Pohjola A	81
95	33	Pohjola B	75
92	45	Repola	90.50
190	130	Stockmann B	165
30	15	Tampella	25
20.25	3.95	Unitas C	18.50

FRANCE

1993 High	Low	November 19	Price Frs.
735	486	AGF	680
738	580	Accor	622
824	692	Air Liquide	796
788	601	Alcatel Alsthom	752
1,846	997	Axa	1,625
1,387	926	BIC	1,174
1,010	833	BSN	857
299	275.50	BNP	299.80
606	392	Bancaire Cie	517
3,209	2,390	Bongrain	3,030
736	536	Bouygues	655
1,345	851	CGIP	1,199
1,399	1,028	Canal+	1,240
222	138	Cap Gemini S	189.20
239.40	170.50	Carnaud Metalbox	195.40
3,690	2,250	Carrefour	3,060
185	131	Casino	167.30
1,439	980	Chargeurs	1,160
461	310	Club Mediterranee	320
700	550	Coparex Int	552
294	208.60	C C F	286.90
1,224	930	Cr Fonc France	1,092
798	456	Cred Lyon (Cl)	667
487	320	Credit Local Fr	472
734	526	Credit National	630
5,300	3,212	Damart	4,700
730	380	Docks de France	695
344	240	Dollfus Mieg Cie	322
775	590	EBF	680
2,882	2,014	Eaux Cie Genl	2,628
564	392	Ecco	554
469	320	Elf Aquitaine	443.80
410	219.10	Elf Aquitaine Certs	386
1,144	883	Elf Sanofi	956
909	571	Eridania B-Say	830
751	455	Eridania B-Say Cl	720
679	381	Essilor Int	657
2,400	1,725	Euler	2,360
2,280	1,280	Eurafrance	2,221
659	408.20	Euro RSCG	540
98	31.40	Euro Disney	36.70
156	112.80	Finextel	148
855	550	Fonc Lyonnaise	821
5,180	3,325	Fromageries Bel	5,180
344	307.10	GTM-Entrepose	491
2,050	1,470	Gal. Lafayette	1,850
830	306	Gaumont (Soc N)	785
690	537	Geophysique	579
489.90	402	Havas	461
544	334.10	Imetal	526
1,189	790	Imm de France	1,062
976	817	Immobanque	918
155	122	Immob Phenix	128
598	410	Interbail	534
818	368	Intertechnique	505
4,349	3,120	LVMH	3,800
424	274	Lafarge Coppee	420xd
1,235	980	L'Oreal	1,164
4,989	3,940	Legrand	4,785
225	132	Legris	183.20
564	390.10	Lyon Eaux Dumez	540
185	90.50	Matra-Hachette	138
201	131.50	Michelin B	188.60
120	70.65	Moulinex	97.10
1,140	732	Navigation Mixte	1,030
161	125.90	Nord Est	153
199.50	98	Orsan	168
516	333	Paribas	479.30
653	230.50	Paris Reescompte	522
442	348	Pernod Ricard	394
711	500	Peugeot	684
870	551	Pinault Printemps	812
1,205	835	Promodes	1,143
378	219.50	Radiotechn	326
995	630	Redoute	916
169	125	Rhone Poulenc A	159
727	419	Roussel-Uclaf	712
899	661	SILIC	840
2,590	1,190	Sagem	2,484
600	460	Saint Gobain	535
1,450	1,050	Saint Louis	1,321
405	210	Schneider	388
540	310	Seb SA	475.90
532	405	Sefimeg	518
600	430	Simco	592
1,960	787	Skis Rossignol	1,950
722	570	Soc Generale de Fr	697
2,110	1,150	Sommer-Allibert	1,895
435	279	Spie Batignolles	391
371.80	244	Suez (Cie de)	346.40
2,850	1,800	Taittinger	2,190
188	137	Thomson C S F	153.10
335.40	216.10	Total B	327.60
690	498	UAP	643
436	185	UFB Locabail	392
958	317	Unibail	540
858	481	Union Immob Fr	844
1,125	632	Valeo	1,112
256	137.10	Vallourec	209.80
323.70	220	Worms Cie	300

GERMANY

1993 High	Low	November 19	Price Dm.
183.50	145.10	AEG	169
830	390	AG Ind & Verk	802
1,500	790	Aachen Mch (Reg)	1,430
2,394	1,845	Allianz AG	2,315
655	505.50	Altana Ind	643
1,030	670	Asko	1,037
839	380	Asko Prf	830
282	207	BASF	271.80
428	273	Badenwerk	410
330.50	283.10	Bayer	328.70
491	384	Bayer-Hypo	486
641.50	445.50	BMW (Br)	641
546	405.50	Bayer Vereinsbk	539
675	635	Beiersdorf	662
463	341.50	Berliner Bank	447
238	114.50	Berliner Kraft	228
526	365	BHF Bank	518.50
1,025	787	Bil. & Berger	907
1,450	802	Colonia Konzern	1,435
1,015	425	Colonia Konzern Pf	1,000
368	231	Commerzbank	367
286	189	Continental AG	284.80
492	363	DLW	482.50

GERMANY (continued)

1993 High	Low	November 19	Price Dm.
771.50	530.50	Daimler-Benz	717
441	314.20	Degussa	429
232	140.20	Deutsche Babcock	231
858	628.80	Deutsche Bank	844.80
160	94.20	Didier-Werke	148.50
635	403.50	Douglas Hldg	598
284	211	Dragerwerk	260
443.50	339	Dresdner Bk	436.50
517	303	GEHE	512
265	185	Gerresheimer	240
675	520	Goldschmidt (TH)	651
210	165	Hamburg Elekt	188
1,270	820	Heidelb Zem	1,215
827.50	502	Henkel Prf	809
366	254	Herlitz	360
1,190	859	Hochtief	1,070
281.50	229.10	Hoechst	279.40
1,098	780	Holzmann Ph	928
250	140	Horten	240.50
324.50	227	IKB Deutsche Ind	307
379.60	250	Industrie Werke	368
150	95.70	Kali & Salz	146
630	476	Karstadt	611
606	399	Kaufhof	549.50
129.80	5	KHD	118
111.50	39	Klockner Werke	106.50
838	592	Lahmeyer	810
820	355	Leifheit	770
874	691.50	Linde	842.50
519	310	Linotype-Hell	318
166	97	Lufthansa	163.50
159.30	81	Lufthansa n/v Prf	154.50
354	251	MAN	353
297	219	MAN Pref	285
378	228	Mannesmann	367.50
790	581	Mannheim Vers	782
772.80	386.50	Mercedes Hld	725
435	285	Metallgesellschaft	419
4,100	2,865	Muench Rueck (Reg)	3,895
200	146	PWA	194
571.20	495	Philips Kommun	501.20
866	425	Porsche	765
454	330.10	Preussag	430
482.50	384	RWE	466.50
391	303	RWE Prf	383.80
1,295	756	Rheinelektra	1,244
307	230	Rheinmetall Berlin	294
235	170	Rheinmetall Prf	229
297	201	Rosenthal	286
1,170	875.30	Schering	1,051
395	287	Schmalbach Lubeca	385
738	568	Siemens	732.50
700	485	Springer Axel Rg	670
536	395	Sud Chemie	510
243.50	168.50	Thyssen	237.40
337.50	265	Varta	332
477.50	359	Veba	468.20
324	213.50	VEW	310
403	300	Verein-West	380
487	314	Viag	477.80
409	241	Volkswagen	405.50
335	210	Volkswagen Prf	331
898	600	Wella Prf	840
220	161	Zanders Feinpap	201

ITALY

1993 High	Low	November 19	Price Lire
5,735	3,910	Banca Comm	4,465
4,460	2,910	Banca Naz Agric	3,100
2,220	1,660	Banca di Roma	1,690
5,235	3,250	Banco Lariano	4,480
98	67.50	Bastogi-I R B S	72
25,800	13,950	Benetton	21,650
8,150	4,775	Burgo (Cartiere)	8,660
1,830	970	CIR	1,401
1,740	1,115	Caffaro Spa	1,395
1,820	1,255	Cementir	1,340
1,370	870	Cofide Fin	1,008
3,295	2,130	Credito Italiano	2,401
11,700	7,975	Danieli & C	9,200
1,060	770	EniChem	770
27,800	20,200	Ferruzzi Fin	27,600
4,531	2,598	Fiat	3,684
2,844	1,375	Fiat Priv	1,807
4,020	2,730	Fidis	3,300
16,675	9,830	Fondiaria Spa	11,371
1,480	1,030	Gemina	1,283
41,850	29,240	Generali Assicur	38,400
3,440	2,200	Gilardini	2,490
18,000	8,410	IFI Priv	13,285
8,390	4,310	Italcable	8,030
12,580	7,510	Italcementi	9,250
5,490	2,805	Italgas	4,425
17,850	10,400	Lloyd Adriatico	12,770
15,857	11,005	Mediobanca	11,590xr
890	582	Montedison	788
2,030	1,170	Olivetti	1,730
3,912	2,585	Pirelli & Co	3,015
1,992	1,076	Pirelli Spa	1,777
30,850	19,600	RAS	25,500
10,278	7,425	Rinascente (La)	8,970
8,150	4,590	SASIB Spa	7,245
3,770	1,319	SIP	3,140
4,480	1,735	STET	3,841
8,500	3,830	Saffa A	4,030
4,485	2,219	Saipem	2,790
12,250	8,950	San Paolo	9,860
10,690	7,750	Sirti	8,681
615	380	SMI	446
1,428	878	Snia BPD	1,211
33,090	21,250	Toro Assicur	28,400
23,300	16,700	Tosi Franco	20,000
10,200	6,680	Unicem	8,690

NETHERLANDS

1993 High	Low	November 19	Price Fl.
72.90	50.50	A B N Amro Holding	69.70
98.30	74.40	AEGON	98
50	42.80	Ahold	44.70
200.70	134.50	AKZO	174.20
63.10	39.80	AMEV Dep Recs	61.60

NETHERLANDS (continued)

1993 High	Low	November 19	Price Fl.
45.60	37.75	Bols Wessanen	42.30
70.50	50.50	CSM	67.30
105.80	66.40	DSM	102.30
193	132.30	Dordtsche Petr	185.50
159.20	120	Elsevier	150.40
23.70	8.10	Fokker Dep Recs	21.40
100.50	71.70	Gamma	98.50
51.90	33	Gist Broc Dep Recs	49.90
115.90	90.25	Hagemeyer	109.70
204.60	162.60	Heineken	200.70
285	178	Hollnd Beton	263
51.80	20.80	Hoogovens Dep Recs	48
78.80	38.80	Hunter Douglas	72.80
41.40	21.75	IHC Caland	41.10
64.90	54.50	Int Nedlnd Dep Recs	63.70
83	49.50	Intl Mueller	80
44	29.10	KLM	40.60
42.80	27.28	KNP BT	40.90
49.50	34.20	Kon Pakhoed Dp Rcs	46.30
53.80	22.80	Nedlloyd	53.60
93.50	66.50	Nijverd-Ten Cate	93.60
158.80	109	Nutr Ver Bed Dp Rcs	138.90
60	38	Oce V Grinten	59.60
41.80	19.80	Philips	39.10
77.60	49	PolyGram	75.90
120.20	96.70	Robeco	118.30
60.60	46.60	Rodamco	59.70
122.40	95.30	Rolinco	120.80
96.60	80	Rorento	96.60
205.40	142.90	Royal Dutch	196.30
50.50	25.30	Rnl Bank Vrnn Dp Rc	47.40
40	26.50	Stork NV	37.90
220.80	184.10	Unilever Dep Recs	211.90xd
158.20	87.70	VNU	156.50
42	31.20	Van Ommeren Dp Rcs	41.60
113	81	Wolters Kl Dep Recs	105.40

NORWAY

1993 High	Low	November 19	Price Kroner
105	35	Aker A Free	90
153.50	78.50	Bergesen A	141
120	80	Dyno Ind	116
83	22	Elkem Free	75
161	113	Hafslund Nyc A Free	125
338	150	Kvaerner Free	314
121.50	69	Leif Hoegh	105.50
227	152.50	Norsk Hydro	224
168	97	Norske Skog A Free	159
280	163	Orkla Free	270
250	141	Rieber Son A	241
93	67	Saga Pet A Free	83
93	64.50	Saga Pet B Free	82
380	183	Schibsted	350
158	76	Storli B	150
110	60	Unitor	104
56	18	Vard	44.50
98	65	Vital Fors A Free	90

SPAIN

1993 High	Low	November 19	Price Pts.
5,490	3,580	Alba (Corp Fin)	4,845
6,410	4,190	Argentaria	6,220
3,585	2,300	Banco Bilbao Viz	3,290
4,190	2,805	Banco Cntral Hisp	3,680
4,285	3,600	Banco Exterior	4,085xd
17,800	10,520	Banco Popular	16,670
7,170	4,260	Banco Santander	6,920
3,000	1,713	Banesto	2,365
2,760	2,000	CEPSA	2,405
4,800	3,280	Carburos Metal	4,050
9,180	3,550	Cubiertas	8,280
2,320	1,200	Dragados	2,075
1,510	840	Ebro Agricolas	1,470
2,500	1,285	Electra Viesgo	2,380
6,620	3,675	Endesa (Br)	6,450
823	690	Focsa	794
695	510	Grupo Duro Felg	570
3,585	1,900	Hidrol Cantabr	3,470
904	640	Iberdrola	885
5,000	3,800	Koipe	4,725
6,620	3,410	Mapfre	6,250
4,580	2,740	Metrovacesa	4,370
10,000	6,400	Portland Vald	8,950
4,195	2,805	Repsol	4,120
189	34	SNIACE	117
639	206	Sarrio	396
599	381	Sevillana Elec	583
4,460	3,350	Tabacalera A	3,835
1,770	1,135	Telefonica	1,745
983	400	Tudor	835
537	398	Union Fenosa	517
3,830	2,220	Union y el Fenix	2,665
1,130	569	Uralita	998
2,459	1,053	Vallehermoso	2,350
2,180	801	Viscofan	2,070

SWEDEN

1993 High	Low	November 19	Price Kronor
460	316	AGA A	400
460	315	AGA B	395
665	373	Asea A	599
665	372	Asea B	595
186	127	Astra A	170
180	124.60	Astra B	167
430	298	Atlas Copco A	407
427	290	Atlas Copco B	404
313	193	Electrolux B	307
477	172	Ericsson B	368
118	63	Esselte A	100
118	62	Esselte B	99
395	310	Gambro B	360
257	136	Hennes&M B	244
61	26	Hufvuds A	47
285	162	Incentive A	244
257	162	Incentive B	243

SWEDEN (continued)

1993 High	Low	November 19	Price Kronor
161	105	Investor A	147
162	103	Investor B	147
282	176	Mo Och Dom B	251
27.50	12	Nobel A	26.50
27.50	12.50	Nobel B	27
235	143	Pharmacia A	144
238	143	Pharmacia B	144
148	110.20	SCA A	134
146	109.60	SCA B	131
131	69	SKF A	127
132	66.50	SKF B	125
134	73.75	Sandvik A	124
134	73	Sandvik B	123
88.75	5.70	Skan Enskilda C	84.50
187	88	Skandia	184
175	78	Skanska B	163
400	251	Stora Kopp A	370
402	246	Stora Kopp B	371
121	23.75	Svka HandlB	104
160	100	Sydkraft A	140
158	97	Sydkraft C	138
87.50	32	Trelleborg B	82
500	345	Volvo A	426
500	345	Volvo B	422

SWITZERLAND

1993 High	Low	November 19	Price Frs.
214.50	97	Adia Intl (Br)	184
583	385	Alusuisse-Lnz Br	528
575	377	Alusuisse-Lnz Reg	533
2,540	1,650	Baloise (Reg)	2,450
1,050	688	Brown Boveri (Br)	1,039
199	136	Brwn Boveri (Reg)	195
3,480	1,990	CS Hldgs (Br)	3,440
835	612	Ciba Geigy (Br)	815
805	581	Ciba Geigy (Reg)	778
3,440	2,080	Elektrowatt (Br)	3,380
2,030	1,500	Elvia	1,985
1,010	619	Fischer Geo (Br)	940
2,450	1,675	Forbo (Br)	2,440
880	514	Holderbank (Br)	836
537	370	Holvis Holz (Reg)	440
830	535	Jelmoli (Br)	790
160	100	Jelmoli (Reg)	142
645	465	Landis & Gyr (Reg)	600
695	290	Leu Hold (Br)	691
1,580	485	Motor-Colum (Br)	1,510
1,204	1,015	Nestle (Reg)	1,167
130	67.75	Oer-Buehrle (Reg)	115
1,400	1,150	Pargesa Hld (Br)	1,400
4,750	2,530	Pharma Vision (Br)	4,750
242	194	Pirelli (Br)	205
1,430	1,110	Richemont A (Br)	1,385
11,000	5,880	Roche (Br)	10,800
6,050	3,830	Roche (Genuss)	6,030
1,900	1,367	SGS Surveillance(Br)	1,883
1,285	920	SMH (Br)	1,031
268	148	SMH (Reg)	226.50
3,870	2,850	Sandoz (Br)	3,795
3,660	2,780	Sandoz (Ptg Cts)	3,580
3,725	2,790	Sandoz (Reg)	3,605
1,425	620	Schindler (PtgCts)	1,420
805	561	Sulzer (Reg)	782
507	304	Swiss Bank (Br)	475
245	145.50	Swiss Bank (Reg)	228
773	510	Swiss Reins (Ptg)	742
780	420	Swissair (Reg)	760
1,317	845	Union Bank (Br)	1,310
831	522	Winterthur (Reg)	790
1,445	1,000	Zurich Ins (Br)	1,440

SOUTH AFRICA

1993 High	Low	November 19	Price Rand
10.50	7.80	ABSA	9.20
17	5.60	AECI	17
140	85	Allied Tech	90
109	70	Anglo Am Coal	100
161	88.75	Anglo Am Corp	161
378	139	Anglo Am Gold	364
113	74.75	Anglovaal N	115
49.50	38	Barlow Rand	45
34.50	6.75	Beatrix	26.25
60	18	Buffels	51
3.70	3.60	CNA Gallo	3.70
92.50	57.50	De Beers/Centenary	83.25
11.25	2.50	Deelkraal Gold	8.50
64.50	29.25	Driefontein	52
13.50	3.60	East Rand Gold	9.75
38.50	8.50	Elandsrand Gold	28.50
53	31.50	Engen	36.50
65.50	54.50	First Nat Bank	62
68.25	22	Freegold	65.75
12.35	5.85	Gencor	8.80xd
115	53	Gold Fields SA	95
26	5.75	Harmony Gold	21
29.50	6.80	Hartebeest	28.50
14	6.35	Highveld Steel	13
1.95	0.92	ISCOR	1.91
72.50	34.25	Kinross Mines	66.25
65	24	Kloof Gold	46
71.25	56.50	Liberty Life SA	71
48	35	Malbak	43xd
26.50	16.65	Nedcor	26.50
82	61	Palabora Mng	65.50
60	47	Premier Gp	56
45.50	11	Randfontein	38
30.50	23.20	Rembrandt Grp	30.50
21.25	18.50	Rembrandt Cntrl	21.25
68	57.75	Rust Plat	67.25
100	67	Safmarine & Rennie	87.50
146	115	Smith (CG) Ltd	146
74	64	SA Breweries	72.50
24	17	SA Man Amcor	22
147.50	34.60	Southvaal	130.50
50	37	Tiger Oats	44.50
25.50	17.25	Tongaat Hulett	24.50
410	139.50	Vaal Reefs	382.50
39	1.90	Western Areas	37.75
195	43.60	Western Deep	186
70	24	Winkelhaak	60xd

JAPAN

1993 High	Low	November 19	Price Yen
1,460	1,130	Ajinomoto	1,270
875	440	Akebono Brake Ind	480
1,260	980	All Nippon Airways	1,110
1,350	785	Alps Electric	985
1,250	865	Amada Co	907
1,770	1,090	Amano Corp	1,420
784	560	Ando Construction	581
1,280	710	Anritsu	1,060
633	400	Aoki Corp	418
8,800	5,243	Aoyama Trading	8,320
6,320	3,380	Arabian Oil Co Ltd	4,870
1,330	799	Asahi Bank	1,280
1,300	988	Asahi Breweries	1,170
736	533	Asahi Chemical	640
1,240	985	Asahi Glass	1,110
835	313	Asahi Optical	360
580	361	Asics Corp	405
720	492	Atsugi Nylon	611
1,170	741	Banyu Pharm	1,050
1,440	1,120	Bridgestone	1,290
625	380	Brother Ind	468
3,370	2,070	CSK	2,860
1,340	902	Calpis Food	932
636	445	Calsonic	505
1,580	1,270	Canon	1,460
3,270	1,840	Canon Sales	2,870
1,140	688	Casio Computer	1,020
690	260	Central Finance	360
610	328	Central Glass	390
1,210	832	Chiba Bank	1,010
1,870	1,150	Chiyoda Corp	1,180
740	480	Chiyoda Fire & M	674
3,490	2,290	Chubu El Pwr	2,920
1,560	1,150	Chugai Pharm	1,350
3,140	2,100	Chugoku El Pwr ♣	2,750
2,010	1,520	Chuo Tst & Bkg	1,840
1,170	822	Citizen Watch	823
840	508	Cosmo Oil	816
640	408	Daicel Chemical	480
627	338	Daido Steel	448
1,870	780	Daiei Inc	1,440
1,790	1,130	Daifuku	1,200
2,440	1,630	Dai Ichi Kangyo Bk	2,270
1,810	1,470	Daiichi Pharm	1,610
1,000	638	Daikin Inds	710
1,360	693	Daikyo Inc	880
735	496	Daimaru Inc	549
876	347	Dai Nippon Ink	465
1,480	980	Dai Nippon Pharmac	1,040
1,790	1,240	Dai Nippon Print	1,660
547	340	Dai Nippon Toryo	350
2,190	990	Daishowa Paper	1,080
870	603	Dai Tokyo F&M	796
1,310	845	Daiwa Bank	1,090
1,810	1,290	Daiwa House	1,540
1,550	812	Daiwa Sec	1,280
4,700	2,050	Denny's Japan	4,200
730	487	Dowa Fire & Mar	603
878	446	Dowa Mining Co	447
1,460	1,100	Ebara Corp	1,370
2,080	1,360	Eisai	1,500
1,280	1,020	Ezaki Glico	1,070
4,440	2,950	Fanuc	3,780
759	448	Fudo Construction	560
2,590	1,690	Fuji Bank	2,250
588	420	Fuji Electric	459
2,900	2,420	Fuji Film	2,490
789	565	Fuji Fire & Marine	640
422	290	Fuji Heavy Ind	298
635	385	Fuji Spinning	391
1,060	475	Fujikura	750
1,170	780	Fujisawa Pharm	1,010
2,440	1,830	Fujita Kanko	2,070
879	502	Fujitsu	796
782	370	Furukawa Elect	548
1,180	620	Gakken	760
1,440	880	Gen Sekiyu	1,210
740	470	Godo Shusei	474
1,500	891	Green Cross	1,020
759	380	Gun-Ei Chemical	510
753	592	Gunze	635
739	497	Hankyu Corp	630
605	302	Hanshin El Rlwy	480
870	522	Haseko	724
1,450	954	Hattori Seiko	960
612	400	Hazama Corp	406
1,030	675	Heiwa Real Est	691
800	570	Hino Motors	650
5,920	3,680	Hirose Electric	5,880
790	580	Hiroshima (Bank)	640
938	670	Hitachi ♣	802
878	549	Hitachi Cable	770
2,200	1,210	Hitachi Credit	2,030
990	760	Hitachi Koki	980
1,970	1,370	Hitachi Maxell	1,720
1,170	720	Hitachi Metals	878
714	380	Hitachi Seiko	645
848	469	Hitachi Zosen	520
3,340	2,140	Hokkaido Elect Pwr	2,920
735	423	Hokkaido Takush	598
919	699	Hokuriku Bank	840
3,150	2,260	Hokuriku El Pwr	2,750
1,660	1,230	Honda Motor	1,460
675	398	Honshu Paper	559
2,750	2,010	House Food Ind	2,670
1,990	1,480	Hoya Corp	1,680
670	378	IHI	411
1,080	410	Ihara Chemicals	590
1,180	677	Ikegami Tsushinki	782
1,280	780	Inax	1,100
3,580	2,220	Industrial Bank Japan	3,260
470	258	Iseki & Co	285
2,300	1,510	Isetan	1,880
485	300	Ishihara Sangyo	320
559	308	Isuzu Motors	315
658	370	Itochu	547
1,030	715	Itoham Foods	928
5,730	3,340	Ito Yokado	5,680
659	310	Iwatsu Elec	398
2,000	1,270	Izumiya	1,850
792	481	JEOL	692
2,390	1,640	JGC Corp	1,810
835	248	Janome Sewing Mach	285
904	645	JAL	695
637	466	Japan Metals & Chem	513
2,000	1,130	Japan Radio	1,880
649	306	Japan Steel Works	313
850	642	Japan Storage Batt	845
709	413	Japan Syn Rubber	469
1,320	790	Japan Wool	811
2,480	1,290	Jusco	2,300
13,800	7,440	KDD	11,800
1,510	980	Kagome	1,330
958	685	Kajima	846
1,856	1,210	Kaken Pharm	1,630
3,200	1,818	Kandenko	2,670
467	338	Kanebo	383
732	606	Kaneka	660
980	387	Kanematsu Corp	451
3,490	2,200	Kansai El Power	2,980
618	399	Kansai Paint	488
1,330	1,100	Kao Corp	1,240
461	353	Kawasaki Heavy Ind	383
446	298	Kawasaki Kisen	311
390	273	Kawasaki Steel	330
900	565	Keihin Elec Exprss	697
710	490	Keio Teito El Rw	635
1,110	820	Kikkoman	846
2,540	1,636	Kinden	1,990
908	640	Kinki Nipp Railway	848
1,490	1,130	Kirin Brewery	1,220
374	284	Kobe Steel	284
1,030	820	Koito Manf	823
2,350	1,490	Kokusai Electric	1,890
2,790	2,150	Kokuyo	2,490
910	625	Komatsu	780
773	398	Konica	621
891	674	Koyo Seiko Co	843
708	424	Kubota Corp	606
625	428	Kumagai-Gumi	443
632	390	Kurabo Ind	330
1,250	950	Kuraray	1,110
828	371	Kureha Chemical	456
2,470	1,600	Kurita Water	2,300
6,580	3,770	Kyocera	5,700
614	338	Kyodo Shiryo	424
1,320	850	Kyotaru	871
1,100	810	Kyowa Hakko	973
3,210	2,280	Kyushu El Power	2,800
780	640	Lion Corp	673
1,130	740	Long Term Credit	1,010
1,110	780	Maeda Corp	1,100
840	520	Makino Milling	583
1,960	1,580	Makita Corp	1,820
545	337	Marubeni	480
938	745	Marudai Food	841
520	345	Maruha Corp	348
1,890	1,030	Marui	1,580
2,150	1,640	Maruichi Steel	1,920
1,520	895	M'shita El Ind	1,420
1,240	889	M'shita El Wk	1,130
2,500	1,680	M'shita Koto	2,370
959	485	M'shita Refrig	767
625	398	Mazda Motor Corp	402
1,150	751	Meiji Milk	755
796	582	Meiji Seika	582
930	606	Mercian Corp	608
2,390	1,790	Mikuni Coca Cola	1,870
629	371	Minebea	455
495	311	Minolta Camera	405
1,470	920	Misawa Homes	1,250
3,190	2,300	M'bishi Bk	3,030
1,210	813	M'bishi Corp	1,090
634	443	M'bishi Elec	517
1,290	855	M'bishi Estate	1,000
542	345	M'bishi Gas Chem	408
740	490	M'bishi Heavy Ind	644
553	370	M'bishi Kasei	461
538	365	M'bishi Materials	400
860	627	M'bishi Motors	805
1,100	843	M'bishi Oil	869
717	510	M'bishi Paper	545
862	625	M'bishi Petchem	621
614	408	M'bishi Plastics	415
470	308	M'bishi Rayon	324
821	456	M'bishi Steel	456
1,560	838	M'bishi Tr&Bk	1,410
1,980	1,190	M'bishi Warehouse	1,500
714	395	Mitsuboshi Belting	490
823	537	Mitsui Co	731
484	324	Mitsui Eng Ship	324
1,480	942	Mitsui Fudosan	1,240
954	771	Mitsui Marine	824
583	375	Mitsui Mng & Sm	393
480	331	Mitsui Osk Line	385
815	510	Mitsui Petchem	644
1,030	571	Mitsui Soko	620
448	315	Mitsui Toatsu	341
1,350	710	Mitsui Tr&Bk	1,080
1,070	785	Mitsukoshi	844
1,900	1,080	Mitsumi Elec	1,770
880	435	Miyaji Iron Works	556
1,130	783	Mizuno Sporting	930
3,200	2,180	Mochida Pharm	2,230
734	556	Morinaga Milk	670
2,350	1,800	Mori Seiki	1,810
3,880	2,160	Murata Manufact	3,780
1,080	801	NEC Corp	895
1,230	890	NGK Insulators	1,000
1,190	898	NGK Spark Plug	931
648	410	NHK Spring	410
360	235	NKK Corp	248
892	500	NOK Corp	675
870	466	NSK	532
635	443	NTN Toyo Bearing	500
531	330	Nachi Fujikoshi	343
1,180	745	Nagasakiya	773
1,220	870	Nagase	851
668	444	Nankai Railroad	589
2,300	1,600	National House	2,080
1,740	1,130	Nichii	1,540
903	645	Nichirei	780
950	670	Nihon Cement	687
557	354	Nihon Nosan	405
900	693	Nihon Parkerizing	810
895	420	Niigata Eng	435
595	355	Nikko Kyodo	430
1,390	800	Nikko Sec ♣	1,190
1,090	651	Nikon Corp	812
10,900	6,800	Nintendo	7,070
6,540	4,270	Nippon Credit Bank	5,590
590	326	Nippon Denko	327
1,830	1,400	Nippon Denso	1,680
1,840	971	Nippon El Glass	1,210
1,180	701	Nippon Express	1,000
818	640	Nippon Fire	760
679	480	Nippon Flour Mills	480
2,540	1,690	Nippon Hodo	2,100
833	627	Nippon Kayaku	679
808	536	Nippon Light Metal	641
1,780	1,463	Nippon Meat Pack	1,610
888	570	Nippon Oil	702
709	450	Nippon Paint	695
678	460	Nippon Paper	595
1,450	1,110	Nippon Road	1,130
643	378	Nippon Sanso	462
1,800	1,040	Nippon Sharyo	1,090
668	418	Nippon Sheet Glass	480
1,120	900	Nippon Shinpan	965
1,830	1,280	Nippon Shinyaku	1,610
1,790	1,200	Nippon Signal	1,430
628	385	Nippon Soda	410
480	275	Nippon Steel	329
549	346	Nippon Suisan	347
31,500	12,800	Nippon T V Network	30,800
1,090,000	730,000	NTT	785,000
648	395	Nippon Yakin	397
671	446	Nippon Yusen	574
708	493	Nippon Zeon	497
1,390	800	Nishimatsu Constr	1,040
822	310	Nissan Diesel	416
890	550	Nissan Motor	744
1,550	1,090	Nissei Sangyo	1,320
1,280	971	Nisshin Flour	1,090
1,190	861	Nisshin Oil	960
602	272	Nisshin Steel	364
1,110	791	Nisshinbo Ind	831
623	351	Nissho Iwai	430
1,220	780	Nissin Electric	915
3,210	2,020	Nissin Food	3,020
1,010	500	Nitsuko	650
468	280	Nitto Boseki	290
1,500	980	Nitto Denko	1,340
2,250	1,410	Nomura Sec	1,870
1,080	661	Noritake	661
862	656	Odakyu Electric Rwy	728
737	478	Obayashi-Gumi	621
1,100	800	OJ Paper	915
673	316	Oki Electric	470
1,110	620	Okuma Corp	820
968	681	Okumura-Gumi	815
1,310	1,010	Olympus	1,080
1,570	984	Omron Corp	1,350
694	489	Onoda Cement	528
6,150	5,130	Ono Pharm	5,670
1,320	1,040	Onward Kashiyama	1,160
930	800	Orient Corp	770
4,300	2,180	Orix Corp	3,810
594	410	Osaka Gas	514
623	540	Penta Ocean	573
2,940	1,910	Pioneer Elec ♣	2,810
683	398	Prima Meat Pack	430
699	403	Renown	548
837	527	Ricoh	688
3,400	1,790	Rohm	3,070
1,590	880	Royal	1,230
690	422	Ryobi	611
1,750	1,110	Sakura Bank	1,620
732	511	Sanden	526
3,090	2,270	Sankyo	2,650
2,570	912	Sanrio	1,500
2,460	1,450	Sanwa Bank	2,440
1,120	785	Sanwa Shutter	935
489	342	Sanyo Electric	411
1,120	830	Sapporo Brews	941
7,330	5,380	Secom	6,790
11,500	8,560	Sega Ent	8,560
4,500	2,100	Seibu Railway	3,350
1,980	1,240	Seino Transport	1,790
1,310	800	Seiyo Food Sys	1,060
1,500	1,080	Seiyu	1,480
1,110	875	Sekisui Chemical	1,010
1,500	935	Sekisui House	1,360
569	300	Settsu Corp	410
9,200	8,054	Seven-Eleven	9,170
1,580	928	Sharp	1,500
3,220	2,150	Shikoku Elect Pwr	2,890
1,030	795	Shimizu Corp	822
1,800	1,470	Shin-Etsu Chem	1,620
1,150	685	Shionogi	800
1,500	1,250	Shiseido ♣	1,280
1,370	1,050	Shochiku	1,170
745	413	Shokusan Jutaku	527
600	410	Showa Aluminium	490
415	264	Showa Denko	267
748	460	Showa Elec Wire	505
680	478	Showa Sangyo	585
1,510	757	Showa Shell Sek	1,090
2,170	1,170	Skylark	2,110
864	607	Snow Brand Milk	780
5,100	3,850	Sony	4,840
824	568	Stanley Electric	631
601	378	Sumitomo Bakelite	465
2,490	1,680	Sumitomo Bank	2,380
682	486	Sumitomo Cement	488
519	418	Sumitomo Chemical	424
959	600	Sumitomo Corp	861
1,400	783	Sumitomo Elect	1,270
517	354	Sumitomo Heavy	368
478	297	Sumitomo Light M	311
1,040	785	Sumitomo Marine	910
371	258	Sumitomo Metal Ind	265
1,180	631	Sumitomo Metal Mng	820
824	520	Sumitomo Realty	711
1,510	740	Sumitomo Tr&Bk	1,390
885	565	Sumitomo Warehouse	743
1,040	800	Suzuki Motor	939
4,250	2,980	TDK Corp	3,830
818	598	Taisei Corp	627
2,350	1,801	Taisho Pharm	2,240
834	430	Takaoka Electric	561
790	568	Takara Shuzo	646
1,350	656	Takashimaya	1,110
1,430	1,190	Takeda Chem	1,270
1,216	795	Tanabe Seiyaku	1,050
810	372	Teijin	446
958	641	Teikoku Oil	681
1,270	612	Tekken Corp	761
611	565	Toa Gosei Chem Ind	565
626	375	Tobishima Corp	385
684	550	Tobu Railway	665
825	560	Toda Corp	795
790	530	Toei	660
21,500	12,000	Toho	19,000
3,400	2,240	Tohoku Elect Power	3,200
1,540	990	Tokai Bank	1,230
598	331	Tokai Carbon	332
568	348	Tokico	420
1,430	1,080	Tokio Marine	1,280
636	385	Tokuyama Soda	458
1,680	1,170	Tokyo (Bank) ♣	1,760
1,870	928	Tokyo B'casting	1,400
2,570	1,620	Tokyo Dome	1,680
4,450	2,440	Tokyo El Pwr	3,390
3,120	1,800	Tokyo Electron	2,790
618	395	Tokyo Gas	494
870	550	Tokyo Rope	595
2,920	2,100	Tokyo Steel	2,200
2,070	1,380	Tokyo Style	1,880
795	385	Tokyu Car	525
1,040	550	Tokyu Corp	665
789	390	Tokyu Land	614
1,680	1,200	Tonen Corp	1,680
1,410	1,000	Toppan Printing	1,260
725	484	Toray Ind ♣	600
776	555	Toshiba Elect	698
1,490	834	Toshiba Eng&Constr	1,210
777	470	Toshiba Machinery	470
1,030	789	Toshoku	887
432	280	Tosoh Corp	310
2,250	1,680	Toto	1,880
684	440	Toyo Construct	465
1,880	1,480	Toyoda Autom Loom	1,810
652	410	Toyo Ink	560
902	586	Toyo Kanetsu	585
3,500	2,620	Toyo Seikan	2,680
1,910	1,310	Toyota Motor	1,810
590	340	Toyo Tire&Rub	381
1,370	748	Toyo Tst & Bkg	1,120
438	317	Toyobo	343
676	437	Tsubakimoto Chain Mfg	468
601	380	Tsugami	380
475	310	UBE Inds	318
435	280	Unitika	285
1,160	765	Victor (JVC)	782
1,360	860	Wacoal	1,340
1,320	880	Yamaha Corp	908
975	755	Yamaha Motor	816
931	487	Yamaichi Securities	691
2,580	2,220	Yamanouchi	2,230
1,890	1,180	Yamatake Honeywell	1,510
1,510	900	Yamato Kogyo	904
1,260	865	Yamato Transport	1,170
2,350	1,670	Yamazaki Baking	2,330
1,720	1,270	Yaohan Japan	1,330
683	355	Yaskawa Elec	365
910	711	Yasuda Fire	772
1,050	855	Yasuda Tst & Bkg	865
1,020	684	Yokogawa Elec	805
1,220	916	Yokohama (Bank)	1,060
701	519	Yokohama Rubber	658
1,390	820	Yomiuri Land	945
1,270	720	Yoshitomi Pharm	1,030
787	482	Yuasa Corp	482
732	425	Zexel Corp	585

AUSTRALIA

1993 High	Low	November 19	Price Aust$
4.68	3.45	Aberfoyle	4.40
10.28	7.48	Amcor	9.90
6.80	3.85	Ampolex	5.56xr
12.82	6.50	Arnotts	12
2.80	1.24	Ashton	2.44
4.90	2.98	ANZ Bank	4.74
4.70	2.60	Aust Gas Light	4.64
2.10	1.45	Aust Nat Inds	1.92
17.96	12.58	BHP	17.46
3.38	2.42	BTR Nylex	3
4.24	2.60	Boral	4.10
0.80	0.38	Boug'ville Copper	0.58
17.04	12.14	Brambles Inds	12.18
0.80	0.44	Bridge Oil	0.70
1.09	0.67	Brierley Invs	1.01
4.62	3.55	Burns Philp	4.17
4.92	3.82	CSR	4.88
16.72	12.38	CRA	16.26
2.78	2.02	Caltex Aust	2.58
3.20	1.96	Carter Holt Hrvy	2.86xd
10.40	5.70	Coca Cola Amatil	10.26
6.60	4.42	Coles Myer	6.31xd
4.10	3	Comalco	3.88
10.20	9.85	Comm Bk Aust	9.65
1.48	0.78	Crusader	1.30
0.72	0.33	Dominion Mng	0.38
5.18	3.02	Email	4.90
1.80	1.10	Energy Res	1.45
1.14	0.39	FAI Insurances	1.08
3.42	1.89	Fairfax	3.04
3.48	1.68	Fletcher Chllnge	3.36
1.60	1.11	Fosters Brewing	1.52
2.95	2.08	Gen Prop Tst	2.58
3.22	2.03	GIO Australia	3
1.44	0.83	Gld Mns Kalgoorlie	1.14
1.76	1.40	Goodman Fielder	1.51
2.79	2.08	Hardie (J)	2.32
1.46	0.68	Highlands Gold	1.42
2.50	0.70	Homestake Gold	2
9.15	5.70	ICI Aust	9.08
2.90	1.42	Kidston Gold	2.85
18.20	13.88	Lend Lease	18.38
3	2.45	Lion Nathan	2.78

AUSTRALIA (continued)

1993 High	Low	November 19	Price Aust$
2.64	1.61	MIM	2.30
6.70	5.15	Mayne Nickless	6.25
4.15	1.95	Metal Manuf	3.98
13.14	7.35	Nat Aust Bank	12.76
6.83	2	Newcrest Mining	5.05
12	6.75	News Corp	10.90
6.62	3.63	Nine Network	5.60
2.78	1.18	Normdy Poseidon	2.47
3.85	2.06	North BH Peko	3.30xd
6.62	4.26	Pacific Dunlop	6.10
1.73	0.85	Pancontinental	1.62
1.49	0.85	Pasminco	1.42
2.80	2.10	Pioneer Intl	2.65
3.80	1.25	Placer Pacific	2.87
7.95	2.27	Plutonic Res	6.90xr
6.10	1.47	Poseidon Gold	4
1.81	1.05	QCT Resources	1.63
4.20	2.65	Renison Gold	4.05
7.70	6.15	Rothmans Aust	7.30
3.90	2.94	SA Brewing	3.43
4.49	2.60	Santos	4.13
6.85	5.08	Smith (Hwd)	6.49
6.35	4.16	Sons of Gwalia	5.92
3.66	2.65	Stockland Tst	3.45
1.87	0.80	TNT	1.77
3.78	1.85	Telecom Corp NZ	3.15xd
8.15	6.80	Wesfarmers	8
6.11	4.04	Western Mining	5.81
8	4.55	Westfield Hdg	7.96xd
2.97	2.38	Westfield Trust	2.65
4.50	2.75	Westpac	4.41
4.65	3.08	Woodside Pet	4.51
3.32	2.60	Woolworths	3.12

HONG KONG

1993 High	Low	November 19	Price H.K.$
10.50	6.15	Amoy Props	9.70xd
40.25	27.75	Bank East Asia	39
13.60	8.50	Cathay Pacific	12.20
39	16.60	Cheung Kong	35.50
55.50	32	China Light	53.50
68.50	31	China Motor	65.50
21.90	13.10	Citic Pacific	20.60
18.20	16.25	Cross Harbour	17.80
15.30	10	Dairy Farm Intl	13.20
6.10	3.38	Evergo	5.60
5.75	2.92	Great Eagle	5.25
36.75	14.70	Guoco	35.25
91.50	54.50	HSBC	88
16.40	8.60	Hang Lung Dev	14.50xd
63	40	Hang Seng Bank	58.50
10.50	6.85	Harbour Centre	10.20
7	3.35	Henderson Inv	6.50
36.25	14.20	Henderson Land	34.25
21.40	13.40	HK & China Gas	19.30
11	6.45	HK & Shanghai Hotel	10.30
50	20	HK Aircraft	43.50
28	15	HK Electric	26.40
22.50	11.70	HK Land	20.20
18.30	9.85	HK Realty & Tr A	17.40
18	9	HK Telecom	15.20
9.40	4.25	Hopewell Hldgs	8.20
32.50	14.80	Hutchison Wpa	30.75
24.20	12.10	Hysan Dev	21.80
13.30	8.30	Jardine Intl Mtr	12
77.50	41.75	Jardine Math	70
34	19.50	Jardine Strategic	28.70
17.60	8.75	KM Bus	16.30
9.60	6.75	Mandarin Orient	8.75
29.20	16	New World Dev	27.60
31.50	16.80	Realty Dev A	30.50
60	26.70	SHK Props	56
13.50	5.85	Shaw Bros	12.70
4.87	1.87	Shell Elec Mfg	4.78
13.40	7.95	Sime Darby	13
5.55	3.87	Sth China Mn Post	4.42
5.30	2.95	Sun Hung Kai Co	4.80
56.50	28.70	Swire Pacific A	53.50
9	4.80	Swire Pacific B	8.40
30.50	11.40	Tele Broadcast	28.40
30.75	15	Wharf Holdings	27.40
11.80	7.80	Wing On Co	10.80
13.80	10.10	Winsor Ind	12.80
17.80	6.50	World Intl	15.90

MALAYSIA

1993 High	Low	November 19	Price MYR
5.85	2.40	Boustead	4.84
19.20	6.30	Hong Leong Credit	17.50
19.40	8.55	Malayan Banking	18.70xd
5.75	2.40	Malaysian Utd Ind	4.80
8	1.55	Multi Purpose	5.70
2.77	1.40	PBB	2.63
6.25	4.18	Sime Darby	6.10

SINGAPORE

1993 High	Low	November 19	Price S$
10.70	6.90	DBS	9.85
16	10	Fraser & Neave	15.20
17.80	8.50	Genting	16.50
3.50	2.71	Gdmn Fldr Asia	3.02
3.78	2.30	Haw Par	3.42
7.15	5.40	Inchcape	6.66
10.90	6.40	Keppel Corp	10.40
14.70	8.45	OCBC	12.80
8.70	4.98	OUB	8.20
13.40	8.45	S'pore Air Frgn	11.10xd
15.50	8.40	Singapore Press	14.80
5	3.80	S'pore Telecom C	3.88
3.64	2.88	Straits Trading	3.38
3.54	2.45	Tat Lee Bank	3.46
9.10	5.85	UOB	9.06

Prices supplied by Telekurs

NOTES – Prices on this page are as quoted on the individual exchanges and are mostly last traded prices. (u) unavailable. § Dealings suspended. xd Ex dividend. xc Ex scrip issue. xr Ex rights. xa Ex all.
♣ Free annual report available; see 2nd London Share Service page.

CANADA

TORONTO

4 pm close November 19

Quotations in cents unless marked $

Sales	Stock	High	Low	Close	Chng
43087	AbitibP	$14⅛	13⅞	14	-⅛
101374	AgnEag	$19⅜	19⅛	19⅜	+½
195450	AirCda	$5⅜	5¼	5⅜	
45428	AlbtaEn	$20½	20	20¼	-½
4122	AlbtNG	$17¼	17	17	-⅛
894887	AlcanAl x	$28⅛	27¼	27⅝	+½
683715	AmBarr	$37¼	36¾	36⅞	+⅛
76900	AtcoCl	$15½	15¼	15¼	-⅛
781100	BkMont	$25⅜	25⅛	25¼	+⅛
184470	BkNovS	$28⅜	28⅛	28⅜	+⅛
18650	BCSugA	$10½	10⅛	10⅜	+¼
31323	BC Tel	$23½	23¼	23⅜	
477029	BCE	$46⅜	45¾	46	+⅛
96350	BCE Mb	$40⅞	40½	40¾	+⅜
186700	[illegible]	14	13½	13½	
6810	BGR A	$14	13⅝	14	+⅛
211	BioChP	$15¼	15	15¼	+⅜
233750	BmbdrB	$18½	18⅛	18¼	
19999	BowVal	$14⅞	14⅝	14⅞	
2419300	Bralsa	44	41	42	
64971	BrscnA	u$15¼	15	15⅛	+¼
927300	Brdstr	14	12½	14	
9402	Bmcor	u$23⅜	23½	23⅞	+⅛
3758	Brnswk	$7⅞	7¾	7¾	-⅛
116840	CAE	u$6⅞	6½	6⅝	
722475	Cambior x	$19¾	19¼	19⅝	-⅜
4307	CamSh	$17¾	17½	17½	-⅛
9300	Cameco	$24⅞	24¾	24⅞	-⅛
69000	CnptRs	78	77	78	+2
718996	Canlnp	$30½	30⅛	30¼	-⅛
74725	CanOcc	$31	30¾	31	+⅜
748930	CanPac	$22⅞	22⅜	22½	
200	CanTir	u$20½	20	20½	
310415	CanTrA	$18⅝	18	18	-½
36312	CanUtA	$25¼	25	25⅛	-⅛
2800	CanUtB	$25½	25⅜	25⅜	-⅛
27560	CanTrg	125	121	123	+4
500	CanGen	u$33½	33½	33½	+⅛
100	Cenfor	$39⅝	39⅝	39⅝	
28200	CanFcF	$18½	17⅞	18½	+⅝
9100	CaraOp	485	480	485	
329	Celan	$59½	59	59½	
17044	CntCap	45	40	40	-5
19650	CineOd	430	415	415	-5
5400	CntFdA	$6⅞	6⅞	6⅞	+¼
169711	Comnco	$18	17¾	17¾	-⅛
39149	Crptg	330	325	325	
25115	CorelS	$42⅛	41½	41⅝	-⅛
24400	Coscan	295	290	295	+5
1589060	CrownXA	u$6⅞	6⅝	6¾	+½
100200	DenisnA	35	33	34	+2
211800	Derlan	$5¼	5⅛	5⅛	
90050	Dofasco	$20½	20⅛	20⅜	
70841	DomInT	$9¾	9½	9½	-⅛
15710	Domtar	$7⅞	7⅝	7⅝	+⅛
200	DuPntA	$45	45	45	
71942	DundBA	$9⅛	9	9	
116424	EchoB	$17¼	16¾	17⅛	+½
20494	Emco	$9¼	9	9⅛	
6820	Empire	u$17⅞	17½	17½	-⅛
14248	EurNev	$45¼	44¼	44⅞	-⅝
6500	FPI	380	375	375	+15
8330	FahnlV	$11¼	11	11⅛	-⅛
5872	FedInA	$8⅝	8⅛	8⅛	-¼
17138	Finning	$21	20½	20¾	+¼
100180	FettM A	$17	16¾	17	
3526	FortN x	$29	28⅞	28⅞	
18425	4Seasn	$15½	15¼	15¼	
23436	Fr Nev	u$88½	87⅝	88⅝	-1
13630	GeacC	u$17	16⅞	16⅞	-⅛
5700	GndlsA	$22	22	22	+¼
259432	Gentra	53	50	53	
132600	Gianta	$8⅞	8½	8⅝	+⅛
45461	GldStr	$19⅛	18½	19	+⅜
9000	Grnges	365	350	360	+10
9800	GtWLif	$21⅞	21⅝	21½	
4361	Gulf C	490	475	485	+5
900	GW Util	$6	6	6	
400	HarStA	$10¾	10⅛	10⅛	
10400	HawkSd	$28	28	28	
17170	Hemlo x	$13⅛	13	13⅛	-⅛
30450	HmloG x	$14	13¾	14	+⅛
46451	Hilngr x	$13⅝	13⅛	13⅜	+⅛
71241	Hm Oil	$19⅜	18⅞	19	
93700	Horsham	$19⅛	18⅞	19⅛	+⅛
210	HudBMS	490	470	490	
38921	HudBay	$39⅞	38⅞	39⅛	-⅛
68250	Imasco	$40¾	40¼	40½	
76996	ImpOil	$48⅞	48½	48⅜	-¼
808426	Inco	u$32⅜	31⅝	32⅜	+⅝
2000	IntlMor	$7⅜	7½	7½	-⅝
100	Intera	$7½	7½	7½	
83000	IntPlat	12	d11½	12	
141385	IntpP x	$30⅞	29¾	30	-1
1800	InvstG	$43⅞	43	43¼	+⅛
2250	IvacoA	$6⅞	6¾	6¾	-⅛
13700	Jannock	$19½	19⅜	19⅜	
2100	KerrAd x	$22	22	22	
123317	Labatt	$23¾	23⅝	23⅝	-⅛
450941	LacMin x	$10½	10¼	10½	+⅛
5456	Lfarge	$26½	26½	26½	-½
1200	LdlawA	$9	8¾	8¾	-⅛
337060	LdlawB	$9	8¾	8⅞	-⅛
500	LasrBk	$18⅞	18⅝	18⅝	-⅛
1880	LaurGp	$8	7⅞	8	+⅛
48553	LwMdA	$12⅛	11½	12⅛	-¼
9300	Loblaw	$21⅞	21¾	21¾	-⅛
127385	Mackni	u$11⅝	11⅛	11⅛	
392883	MacldH	$12¼	12	12	-¼
200898	MacmBl x	$21⅜	20⅞	21	-⅛
44775	MagnaA	$58⅞	58	58	-⅝
6618	MplLfR	$13¼	13	13⅛	-⅛
1325	MarTgl	$24½	24½	24½	
13537	MarkRs	$9¼	9	9	-⅛
2900	MDS B	$13⅝	13⅜	13⅝	
3143	MolsB	$10½	10⅜	10½	+⅛
12631	MdWst	u$12⅝	12⅝	12⅝	
124899	Mitel	$8	7⅞	8	+⅛
23900	MolsnA	$27½	27¼	27½	+⅛
214793	Moore	$27⅛	26¾	26¾	-⅛
89600	Mecoch	45	43	44	
112784	NatBkC	$10⅞	10⅛	10¼	-⅛
169736	Newbdg	$75½	70½	72½	
15700	Noma A	$7	6⅞	6⅞	
21690	NrndaF	$12⅞	12⅞	12⅝	
354539	NrndaM	u$24¼	23⅞	24⅛	+¼
96286	NorcnE	$19⅞	18⅞	19	+⅛
1177580	NtnTel	$39⅞	38	39¼	+1
6601	Nbgte	165	163	165	
8012710	Nova	$9½	9¼	9¼	
59980	Nowsco	$21⅞	21⅜	21⅜	-¼
18000	NumacE	$8½	8¼	8½	+⅛
9860	Onex	$17⅝	17⅜	17⅜	-⅛
39295	OshawA x	$23⅜	23¼	23¼	-¼
728200	PWA Cp	109	102	105	
30050	PagurA	295	290	294	+4
14300	PanCnP	$43	42	42¼	-¼
106150	Pgasus	$27	26⅞	26⅞	
108198	PetCan	$13⅛	12⅞	12⅞	
42000	PldSo	$7⅝	7½	7½	-⅛
44862	PionM	25½	23	25	
322194	PlDome x	$32⅛	31⅞	32	+½
255000	Poco P	$9⅛	8⅞	9	+½
245910	PowrCp	$20¼	19½	20⅛	+½
9200	PowrFn	$30½	30⅜	30⅜	+¼
298300	RngOil	$7½	7¼	7⅜	-⅛
10300	RaychY	u$19⅛	18	18⅜	
100	RedstR	$25	$25	25	-⅝
1000	RelisS	u$25	25	25	+¼
194510	Rnr En	$28½	28⅛	28⅛	+¼
38438	Repap	385	380	380	-5
35976	Rigel	$19	18½	18¾	
250588	RioAlg x	$19⅜	19⅛	19½	
489240	RogCmB	$21½	21⅛	21⅜	-⅛
220	Rothms	$99	99	99	+1
1163900	RoyBkC	$25⅞	25½	25⅝	-⅛
127600	RoyOak	$6⅞	6	6¾	+¼
46416	StLwcA	u$11½	11⅛	11⅛	
6793	SceptR	$14½	14¼	14½	+⅛
147	ScotP	$10⅜	10⅜	10⅜	
19440	ScottH	$10⅝	10½	10½	-½
390850	Seagrm	$36⅝	35⅜	35⅞	+⅛
712138	SearsC x	$9⅝	9⅜	9⅜	-⅛
10373	ShellA	$39⅞	39¼	39¼	-¼
392354	SherG	$8⅞	8⅝	8⅞	+⅛
190474	SHL Sy	$9	8⅞	9	+⅛
478	SNC	$18½	18½	18½	
500	Soorm	18½	18½	18½	-5½
43415	Southm	$18¼	17⅞	17⅞	-¼
31735	SparAe	$17⅞	16⅞	16⅞	-⅛
133658	StelcoA	$7⅛	6⅞	6⅞	-⅛
138597	TalsmE	$29⅝	29⅜	29⅝	-⅛
129755	Teck B	$21½	21	21⅛	+½
8275	Teleglb	$19⅛	18½	18½	-⅝
84215	Telus	$15⅞	15⅝	15¾	-⅛
137463	Thomsn x	$16⅝	16½	16⅝	
2082150	TorDom	$20⅝	20⅛	20⅛	-⅛
35711	TrsltG	$24⅛	23⅞	24	+¼
101083	TrnsCP	$19⅛	19⅛	19⅛	
167142	TrnMt	u$15½	15¼	15⅜	-⅛
9630	Trimac	u$19	18⅝	18¾	+⅛
330380	TrzecA	106	100	103	
5285	UAP A x	$23	23	23	-¼
265	UCorp	$34⅜	34⅜	34⅜	+⅛
19995	UniDom	u$22¼	22⅛	22¼	-¼
202822	Unlcn	$7⅞	7¾	7¾	
4000	Viceroy	$12⅞	12¾	12⅞	
70566	Westcst E	$21⅞	21½	21½	
6500	WestnG	$40	39¾	39¾	-⅝
5000	WIC B	$16⅞	16⅞	16⅞	-⅛

f - No voting rights or restricted voting rights

MONTREAL

4 pm close November 19

Sales	Stock	High	Low	Close	Chng
283300	BioChP	$18⅜	18	18½	+¾
341503	BmbdrB	$18½	18¼	18¼	-⅛
40724	Cambior x	$19⅝	19¼	19⅝	-⅜
400	CnMarc x	$14½	14½	14½	
10030	Cscde	$6¼	6⅛	6⅛	-⅛
1400	GTC B	$11⅜	11⅝	11⅜	-⅛
26736	JCoutu	$12½	12⅜	12½	+⅛
2674	MItlch	$10⅞	10¾	10¾	-⅛
46297	NatBkC	$10⅜	10¼	10¼	-⅛
1900	QbcorA	$18⅝	18¼	18¼	-⅝
59972	Univa	$8	7⅞	7⅞	+⅛
4760	Vidtrn	$28⅝	28⅛	28⅛	-½

Total Sales 36,014,889 shares

INDICES

NEW YORK

DOW JONES	Nov 19	Nov 18	Nov 17	Nov 16	1993 HIGH	1993 LOW	Since compilation HIGH	Since compilation LOW
Industrials	3694.01	3680.34	3704.36	3710.77	3710.77 (16/11)	3241.95 (20/1)	3710.77 (16/11/93)	41.22 (2/7/32)
Home Bonds	(u)	108.01	108.03	108.03	108.77 (18/10)	103.49 (11/1)	108.77 (18/10/93)	54.99 (1/10/81)
Transport	1727.28	1769.09	1781.09	1780.98	1790.95 (16/11)	1453.84 (4/1)	1790.95 (16/11/93)	12.32 (8/7/32)
Utilities	223.64	226.16	228.02	228.40	256.46 (31/8)	217.14 (9/1)	256.46 (31/8/93)	10.50 (8/4/32)

DJ Ind. Day's High 3711.95 (3721.89) Low 3640.07 (3649.67) (Theoretical)♣
Day's High 3694.01 (3704.36) Low 3657.12 (3669.09) (Actual)♣

STANDARD AND POOR'S

	Nov 19	Nov 18	Nov 17	Nov 16	1993 HIGH	1993 LOW	Since compilation HIGH	Since compilation LOW
Composite ‡	462.60	463.62	464.81	466.74	469.50 (15/10)	429.05 (8/1)	469.50 (15/10/93)	4.40 (1/6/32)
Industrials¶	537.19	537.50	539.62	540.25	540.25 (16/11)	486.48 (26/4)	540.25 (16/11/93)	3.62 (21/6/32)
Financial	42.66	43.10	43.33	43.78	48.40 (26/8)	39.69 (6/1)	48.40 (26/8/93)	8.64 (1/10/74)
NYSE Composite	255.53	256.26	256.61	257.60	260.46 (15/10)	236.21 (8/1)	260.46 (15/10/93)	4.46 (28/4/42)
Amex Mkt. Value	467.96	469.84	472.54	474.73	484.28 (2/11)	396.84 (8/1)	484.28 (2/11/93)	29.31 (9/12/72)
NASDAQ Composite	751.89	754.34	762.39	771.80	787.42 (15/10)	645.87 (26/4)	787.42 (15/10/93)	54.87 (31/10/72)

	Nov 12	Nov 5	Oct 29	year ago (approx.)
Dow Industrial Div. Yield	2.80	2.77	2.79	3.30
	Nov 17	Nov 10	Nov 3	year ago (approx.)
S & P Industrial div. yield	2.38	2.40	2.41	2.65
S & P Ind. P/E ratio	28.66	28.69	28.61	27.72

NEW YORK ACTIVE STOCKS

Friday	Stocks traded	Closing price	Change on day
Talbots	6,929,300	22⅝	—
Merck	5,987,200	35	+ ⅛
Tiphook	5,174,400	2⅝	+ 1¼
Telefonos	3,882,400	58⅞	—
Paramount	4,515,000	78	- 1
Gen Motors	3,805,600	54⅛	- ½
Amer T & T	3,210,000	55⅛	+ ⅛
Wal-Mart Strs	3,005,000	25⅞	- ⅛
Bang Ball	2,896,300	19	—
Amer Barrick	2,532,700	27⅞	+ ¼

TRADING ACTIVITY

† Volume Millions	Nov 19	Nov 18	Nov 17
New York SE	283.099	273.180	311.277
Amex	18.091	19.223	20.067
NASDAQ	(u)	272.089	289.813
NYSE			
Issues Traded	2,800	2,871	2,894
Rises	795	780	770
Falls	1,394	1,287	1,302
Unchanged	573	804	812
New Highs	28	38	64
New Lows	72	62	57

CANADA

TORONTO	Nov 19	Nov 18	Nov 17	Nov 16	1993 HIGH	1993 LOW
Metals & Minerals	3221.65	3241.32	3197.15	3192.46	3281.65 (18/11)	2743.31 (21/1)
Composite	4238.20	4234.70	4238.80	4237.30	4292.89 (12/11)	3275.80 (21/1)
MONTREAL Portfolio	2020.88	2011.14	2007.77	2007.77	2027.41 (11/11)	1729.97 (21/1)

Base values of all indices are 100 except NYSE All Common – 50; Standard and Poor's – 10; and Toronto Composite and Metals – 1000. Toronto indices based 1975 and Montreal Portfolio 4/1/83. † Excluding bonds.‡ Industrial, plus Utilities, Financial and Transportation. (c) Closed. (u) Unavailable. ♣ The DJ Ind. Index theoretical day's highs and lows are the averages of the highest and lowest prices reached during the day by each stock; whereas the actual day's highs and lows (supplied by Telekurs) represent the highest and lowest values that the index has reached during the day. (The figures in brackets are previous day's). ¶ Subject to official recalculation.

	Nov 19	Nov 18	Nov 17	Nov 16	1993 HIGH	1993 LOW
AUSTRALIA						
All Ordinaries (1/1/80)	2093.2	2108.0	2104.3	2083.6	2132.40 (1/11)	1495.80 (13/1)
All Mining (1/1/80)	888.2	891.1	879.8	876.4	904.59 (2/8)	594.70 (13/1)
AUSTRIA						
Credit Aktien (30/12/84)	417.38	418.48	417.88	416.29	424.59 (2/11)	300.26 (14/1)
Traded Index (2/1/91)	1077.77	1076.44	1073.48	1067.5	1094.43 (2/11)	712.08 (15/1)
BELGIUM						
BEL20 (1/1/91)	1405.90	1408.85	1397.76	1375.98	1408.85 (18/11)	1125.46 (4/1)
DENMARK						
Copenhagen SE (3/1/83)	361.09	362.38	360.80	349.45	362.14 (4/11)	281.80 (4/1)
FINLAND						
HEX General (28/12/90)	1589.9	1572.8	1565.8	1542.8	1607.70 (3/11)	843.10 (28/1)
FRANCE						
CAC General (31/12/81)	588.37	588.16	587.45	582.56	602.73 (28/10)	471.34 (13/1)
CAC 40 (31/12/87)	2145.29	2149.57	2147.59	2115.65	2231.39 (22/10)	1772.21 (28/1)
GERMANY						
FAZ Aktien (31/12/58)	798.84	803.81	(c)	796.37	809.81 (18/11)	598.92 (14/1)
Commerzbank (1/12/53)	2262.6	2229.8	(c)	2274.1	2300.40 (3/11)	1694.30 (14/1)
DAX (30/12/87)	2077.37	2085.34	(c)	2071.72	2095.58 (2/11)	1516.60 (13/1)
HONG KONG						
Hang Seng Bank (31/7/64)	9285.94	9359.45	9509.98	9598.95	9732.34 (15/11)	5437.80 (4/1)
IRELAND						
ISEQ Overall (4/1/88)	1866.39	1863.63	1865.40	1851.24	1940.37 (3/11)	1181.16 (11/1)
ITALY						
Banca Comm. Ital. (1972)	544.31	548.05	537.38	534.13	600.69 (30/8)	449.37 (8/1)
MIB General (4/1/93)	1201.0	1209.0	1195.0	1169.0	1300.00 (30/8)	982.00 (11/1)
JAPAN						
Nikkei (16/5/49)	17941.19	18109.92	18198.71	18349.12	21148.11 (13/9)	16287.45 (26/1)
Tokyo SE (Topix) (4/1/68)	1538.59	1551.38	1540.82	1542.34	1698.67 (3/9)	1258.08 (25/1)
2nd Section (4/1/68)	1969.07	1989.80	1996.89	2090.47	2384.97 (7/9)	1651.72 (26/1)
MALAYSIA						
KLSE Composite (4/4/86)	984.02	989.57	987.81	981.30	984.02 (19/11)	614.26 (13/1)
NETHERLANDS						
CBS Tll Rtn Gen (End 1983)	409.2	410.1	408.8	409.7	410.90 (4/11)	326.70 (4/1)
CBS All Shr (End 1983)	264.6	266.8	268.4	263.8	272.08 (4/11)	208.60 (13/1)
NORWAY						
Oslo SE (Ind) (2/1/83)	1028.10	1029.73	1031.26	1011.08	1039.73 (18/11)	698.93 (27/1)
PHILIPPINES						
Manila Comp (2/1/85)	2402.80	2404.16	2411.31	2407.01	2457.80 (3/11)	1270.86 (4/1)
SINGAPORE						
SES All-Singapore (2/4/75)	547.65	544.50	546.35	541.76	554.35 (1/11)	394.19 (13/1)
SOUTH AFRICA						
JSE Gold (28/9/78)	1968.0♦	1931.0	1967.0	1949.0	2088.00 (30/7)	775.00 (8/1)
JSE Industrial (28/9/78)	4900.0♦	4895.0	4787.0	4692.0	4900.00 (19/11)	4309.00 (19/4)
SOUTH KOREA**						
Korea Comp Ex. (4/1/80)	840.36	832.65	810.17	802.66	840.36 (19/11)	605.53 (6/3)
SPAIN						
Madrid SE (30/12/85)	304.53	308.16	306.69	302.83	310.99 (22/10)	215.60 (4/1)
SWEDEN						
Affarsvarlden Gen. (1/2/37)	1380.4	1395.5	1389.7	1396.8	1435.10 (4/11)	873.10 (26/1)
SWITZERLAND						
Swiss Bank Ind. (31/12/58)	1185.59	1184.95	1179.09	1179.84	1185.59 (18/11)	904.50 (11/1)
SBC General (1/4/87)	937.94	933.76	931.27	930.08	937.94 (18/11)	678.70 (11/1)
TAIWAN**						
Weighted Price (30/6/66)	4288.32	4318.21	4308.91	4391.25	5013.26 (7/6)	3098.45 (8/1)
THAILAND						
Bangkok SET (30/4/75)	1396.81	1371.72	1361.19	1359.77	1396.84 (12/11)	818.84 (1/6)
WORLD						
M.S. Capital Intl.(1/1/70) ♦	596.0*	596.4	595.0	597.8	607.16 (15/10)	488.69 (13/1)
Euro Top-100 (26/6/90)	1143.35	1150.25	1151.40	1141.1	1178.45 (22/10)	992.73 (13/1)

**Saturday November 13: Taiwan Weighted Price; (c), Korea Comp Ex: 798.05.
¶ Subject to official recalculation. *Calculated at 15.00 GMT.

Base values of all indices are 100 except Austria Traded, 1000; HEX Gen., MIB Gen., CAC40, Euro Top-100, ISEQ Overall and DAX – 1,000, JSE Gold – 255.7, JSE 25 Industrials – 264.3 and Australia All Ordinary and Mining – 500; (c) Closed. (u) Unavailable

TOKYO - Most Active Stocks

Friday, November 19, 1993

	Stocks Traded	Closing Prices	Change on day		Stocks Traded	Closing Prices	Change on day
Nippon Steel	4.0m	329	—	Nippon Hsg Loan	2.9m	260	+24
Joyo Bank	8.8m	870	+4	Penta Ocean Const	2.6m	573	+60
Sumitomo Mtl Min	3.0m	620	-5	Nisshin Steel	2.4m	364	-6
Daikyo Inc	2.8m	880	-15	Mitsubishi Hvy	2.4m	644	-6
Fujitsu	2.8m	796	-35	Hitachi	2.9m	802	-11

FT MANAGED FUNDS SERVICE

● FT Cityline Unit Trust Prices: dial (0891 or 0898) 430000, enter 4 and key in the five digit code listed below. Calls are charged at 36p/minute cheap rate and 48p/minute at all other times. International access available by subscription only. For more details call the FT Cityline Help Desk on (071) 873 4378.

AUTHORISED UNIT TRUSTS

[illegible]

Guide to pricing of Authorised Unit Trusts

Compiled with the assistance of Lautro §§

INITIAL CHARGE: Charge made on sale of units. Used to defray marketing and administrative costs, including commission paid to intermediaries. This charge is included in the price of units.

OFFER PRICE: Also called issue price. The price at which units are bought by investors.

BID PRICE: Also called redemption price. The price at which units are sold back by investors.

CANCELLATION PRICE: The maximum redemption price. The maximum spread between the offer and bid prices is determined by a formula laid down by the government. In practice, most unit trust managers quote a much narrower spread. As a result, the bid price is often set above the cancellation price. However, the bid price might be moved to the cancellation price by the managers at any time, usually in circumstances in which there is a large excess of sellers of units over buyers.

TIME: The time shown alongside the fund manager's name is the time of the unit trust's valuation point unless another time is indicated by the symbol alongside the individual unit trust name. The symbols are as follows: (*) - 0001 to 1100 hours; (♦) - 1101 to 1400 hours; (▲) - 1401 to 1700 hours; (#) - 1701 to midnight. Daily dealing prices are set on the basis of the valuation point, a short period of time may elapse before prices become available.

HISTORIC PRICING: The letter H denotes that the managers will normally deal on the price set on the most recent valuation. The prices shown are the latest available before publication and may not be the current dealing levels because of an intervening portfolio revaluation or a switch to a forward pricing basis. The managers must deal at a forward price on request, and may move to forward pricing at any time.

FORWARD PRICING: The letter F denotes that the managers deal at the price to be set at the next valuation. Investors can be given no definite price in advance of the purchase or sale being carried out. The prices appearing in the newspaper are the most recent provided by the managers.

SCHEME PARTICULARS AND REPORTS: The most recent report and scheme particulars can be obtained free of charge from fund managers.

Other explanatory notes are contained in the last column of the FT Managed Funds Service.

§§ Life Assurance and Unit Trust Regulatory Organisation,
Centre Point,
103 New Oxford Street, London WC1A 1QH
Tel: 071-379-0444.

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INSURANCES

OTHER UK UNIT TRUSTS

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J Rothschild Assurance PLC

Royal Heritage Life Assurance Ltd

Scottish Provident Group

Scottish Widows' Group

Sun Life Unit Assurance Ltd

Swiss Life (UK) PLC

TSB Life Ltd

Target Life Assurance Co Ltd

OFFSHORE INSURANCES

MANAGEMENT SERVICES

Capital Trust Financial Management

Chase de Vere PLC

ECU Terminvest PLC

Fairmount Financial Services Ltd

Foster & Braithwaite Ltd

Hurstminster Financial Services(Pty) Ltd

IPS Capital Management PLC

Johnson Fry Asset Managers Plc

Knight Williams & Company Ltd

OFFSHORE AND OVERSEAS

BERMUDA (SIB RECOGNISED)

CANADA (SIB RECOGNISED)

GUERNSEY (SIB RECOGNISED)

GUERNSEY (REGULATED)(**)

Hambros Fd Mgrs (CI) Ltd

Kleinwort Benson Intl Fd Mngrs Ltd

Lazard Fund Mngrs (Channel Islands) Ltd

Lloyds Intl Money Market Fund Ltd

Yamaichi Capital Mangmt (Guernsey) Ltd

IRELAND (SIB RECOGNISED)

Baring International Fd Managers (Ireland) Ltd

Paine Webber Offshore Funds Plc (u)

J. Rothschild International Assce plc

ISLE OF MAN (SIB RECOGNISED)

ISLE OF MAN (REGULATED)(**)

IRELAND (REGULATED)(**)

JERSEY (SIB RECOGNISED)

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	Init Chrge	Canc Price	Bid Price	Offer Price	Yield Gr's	City-Line
Midland Bank Fund Managers (Jersey) Ltd						
PO Box 26, St Helier, Jersey 0534 606000						
Intl Circuit Portfolio	5	£1.3216	1.3216	1.4013	0.09	44897
Gilt	3	£1.0514	1.0514	1.0943	6.63	45448
Prudential Fund Managers (Jersey) Ltd						
PO Box 103, St Helier, Jersey 0534 70009						
Prudential Currency Fd (formerly Vanbrugh Currency Fd)						
Income (A & B)	5	212.30	212.30	223.00	3.78	45644
Growth (C & D)	5	325.60	325.60	341.80	-	45645
For Royal Trust see Royal Bank of Canada						
Royal Bank of Canada (Jsy) Fd Mgt Ltd (1400)F						
PO Box 194, St Helier, Jersey 0534 283484						
Govt Secs Fd	4	56.80	56.90	59.24	7.43	45734
Standard Bank Fund Mgmt (Jersey) Ltd						
PO Box 583, St Helier, Jersey CI 0534 67557						
International Bond	5	$-	16.31	17.15	3.05	44781
Sterling Bond	3	£-	10.25	10.80	6.41	44781
Sterling Cap		£-	43.12	43.55	4.38	44787
TSB Trust Funds (CI)						
PO Box 538 St Helier, Jersey 0534 503002						
TSB Offshore Investment Fund Ltd						
Stg Deposit Class	3	101.93	101.93xd	104.89	5.00	45857
Gilt & Fixed Interest	3	128.00	128.00xd	132.48	5.25	45858
Blue Chip & Gilt Edged	5	64.54	64.54xd	67.83	3.47	45856
International Bond	5	143.37	143.37xd	150.87	3.91	45071
UK Equity	5	274.10	282.32xd	297.18	0.91	45872
International Equity	5	213.16	218.85xd	229.27	0.31	43080
Far Eastern	5	208.03	211.88xd	223.03	0.00	45481
European	5	150.83	154.58xd	162.82	0.80	43450
Pan American	5	450.14	457.12xd	481.18	0.09	43870
TSB Gilt Fund Ltd						
Quarterly Share	3	112.90	112.90	116.61	8.86	45830
Monthly Share	3	111.49	111.49xd	115.07	8.95	45831

JERSEY (REGULATED)(**)

	Bid Price	Offer Price	Yield Gross	City-Line
Barclays Intl Funds				
Asian Selection Funds				
China	$10.358	10.901xd	0.0	49155
Hong Kong	$39.584	41.882xd	0.0	44544
Indonesia	$14.580	15.330xd	0.0	44686
Japan	$9.624	10.129xd	0.0	49156
Korea	$12.959	13.641xd	0.0	44687
Malaysia	$27.858	29.009xd	0.0	44696
Philippines	$22.191	23.356xd	0.0	44698
Singapore	$16.952	17.856xd	0.0	44700
Thailand	$32.093	33.784xd	0.0	44717
South East Asia	$36.495	38.416xd	0.0	44716
US Dollar Liquidity	$9.496	9.971xd	0.4	44876
Cater Allen Investment Management (CI)				
CA Gilt Income	£5.99	6.27xd	15.95	44830
CA Equity Gwth	£4.90	5.38	2.04	44832
Citibank (CI) Ltd "Citifunds"				
Short term Investment Funds				
Irish £ Nov 18	I£0.4377		-	44841
Equity Funds				
Japan Equity Nov 18	¥9.6645		-	44845
US Em Hlth Nov 22	$21.5263		-	44848
US Em Tech Nov 22	$30.7431		-	44851
Citicare Nov 22	$12.9159		-	44852
Bond Funds				
HYB (A) Nov 22	$92932.1548		-	44858
Special Assets (B) Nov 1	FFr11687.1083		-	49197
Citibank N.A.				
Libra 2000 Oct 31	$134.37		-	49180
Libra 2000 Intg Oct 31	$134.37		-	49158
Coutts & Co (Jersey) Fund Managers Ltd				
Ashburton Replica Portfolio Ltd				
Ashburton Replica P'folio UK £	13.61	14.19	-	47786
Ashburton Replica P'folio US $	$12.46	12.99	-	47758
EBC Fund Managers (Jersey) Ltd				
EBC Traded Currency Fund Ltd*				
Income	$14.50	14.956	1.25	44863
Capital	$22.85	23.556	-	44864
*Offer price includes 3% prelim. charge				
International Income Fund*				
Eurobd Long Term-US$	$34.47	35.0387	4.88	44892
Eurobd Long Term-DM	DM93.71	103.4256	1.56	49160
* Offer Price includes 3½% Initial Charge				
Fleming Group				
Robert Fleming Management (Jersey) Ltd				
Crock & Straits Inv Corp NAV	$8.54		-	49161
Deutschland Inv Co NAV	DM17.22		-	49698
Foreign & Colonial Mngmt (Jersey) Ltd				
Hypo Foreign & Colonial Reserve Asset Fd Ltd				
US$ Cash	$11.121		-	45008
Sterling Cash	£13.253		-	45007
US$ Bonds	$16.932		-	45008
Multicurrency Bonds	$22.481		-	45009
Sterling Bonds	£17.124		-	45010
D Mark Bonds	DM12.834		-	45011
European Bonds	Ecu14.569		-	45013
UK Equities	£12.981		-	45014
US Equities	$18.414		-	45015
Japanese Equities	¥804.4		-	45016
Contl Euro Equities	DM20.094		-	45017
UK Negative Equities	£11.294		-	48010
US Negative Eq	$-		-	48011
Japanese Negative Eq	¥903.1		-	43012
Cont Eur Negative Eqt	DM10.193		-	48013
UK Geared Equities	£9.297		-	48014
US Geared Equities	$10.356		-	45019
Japanese Geared Eqs	¥887.9		-	45015
Contl Euro Geared Eqs	DM15.040		-	48016
Gold	$11.098		-	48017
Protected Capital Plus A	$10.378		-	48018
Protected Capital Plus B	£10.333		-	49162
Greece Fund Ltd				
NAV Nov 16	$10.29		-	49690
John Govett Management (Jersey) Ltd				
Share Vantage Fd NAV Nov 19	$21.0190		-	47803
Paradigm Fd NAV Oct 31	$10.57		-	47868
Paragon Fd NAV	$10.19		-	47106
Hungarian Inv Co Oct 31	$8.20		-	43571
Managed Sterling	$10.8757	11.44	-	49164
Gilt Geared Fut NAV Nov 19	$12.56		-	48529
Gilt Geared Bd Nov 19	$8.15		-	48440
Govett Intl Fund	$10.0605		-	
Inv HS Protected Inv Pool	DC.1155	10.8217	-	
Govett Mgd Fltg Nov 19	£4.01	15.32	-	44510
Govett Mngd Pens Nov 19	$9.43	10.79	-	47538
INVESCO International Limited				
All Funds deal daily except where indicated.				
Sterling Denominated Income Funds				
American Bonds Inc	£1.9830	2.1305xd	3.69	45448
Japan Inc & Gwth	£2.0710	2.2230	1.21	45480
Sterling Denominated Growth Funds				
Property Mortgage	£3.2990	3.6130	-	45461
£ Mngd Portfolio	£1.9790	2.1230	0.01	45465
US Dollar Denominated Growth Funds				
Cld NW 1994 **	$9.4700	-	-	47829
MIM London Agents				
Apollo Fd Nov 17	£769.4	106.56	-	45473
*Weekly Dealing. †Fortnightly Dlng. **Monthly Dlng.				
Lloyds Bank Trust Co (CI) Mngrs				
Universal Mgd Inv Port	£2.983	3.1734	0.73	49165
Details from Lloyds Bank Trustee				
Management International (Jersey) Ltd				
Anchor Gilt Edge (U)	£11.01	11.07	6.49	45030
Minerals, Oils Res. Shrs. Fd. Inc.				
Nams Nov 18	$16.59	16.84xd	2.30	45470
Northgate Unit Tst. Mngr. (Jersey) Ltd				
Pacific Fund Nov 18	$50.71	55.02	-	45567
Perpetual UT Mngrs (Jersey) Ltd				
Offshore Am Gwth Fd	$2.6574	3.1376	-	45592
Offshore Emerging Cos	$2.9117	3.1733	-	45593
Offshore Far Eastn Fd	$4.0313	4.2938	-	45595
Offshore Intl Gwth Fd	$4.3229	4.1734	-	45591
Offshore Americas Gwth Fd	$1.2535	1.3321	-	47890
Offshore UK Growth Fd	$2.5184	2.6754	-	45596
Offshore Asia Smaller Mkts	$1.5684	1.6672	-	49198
Offshore European Fd	$1.9404	2.0621	-	45594
Offshore Global Bond	$1.0842	1.1098	-	49196
Offshore Global Bond Acc	$1.0815	1.1373	-	49197
The Portugal Fund Limited				
Lloyds Bank International (Jersey) Limited				
NAV Nov 12	$8.71		-	47466
Royal Bank of Canada Intl Fd Mgt Ltd				
Sterling Fxd Int unit	103.80	104.70	6.89	45738
International Bond unit	$1.204	1.217	4.93	45740
†Prices on November 17 Next dealing November 24				
Royal Bk of Scotland Fd Mngrs (Jersey) Ltd				
Navy Growth Fund	£18.77	19.01	1.57	45838
Lowest Defensive Prtfo	£12.91	13.38	-	41683
For Royal Trust see Royal Bank of Canada				
Schroder Mngt Services (Jersey) Ltd				
Schroder Money Funds Ltd				
Sterling	£28.2617		4.85	45763
US $	$49.5620		1.71	45764
D-Mark	DM88.6170		6.45	45765
Swiss Franc	SFr80.2721		3.26	45766
Yen	¥5252.80		1.33	46761
Scrimgeour Kemp-Gee Mngmt., Jersey				
SKG Capital Fund	£5.610	5.958xd	-	46791
SKG Income Fund	£0.835	0.8890xd	6.30	46792
TSB Trust Funds (CI)				
TSB Jsy Equity Fd	52.6	56.3	1.74	45830
TSB G'nsy Equity Fd	52.6	56.3	1.74	45831
TSB Lloyd Pension	532.7	561.9	-	45832
TSB Gilt Fd (Jsy) Ltd	112.90	116.61	6.86	45838
Tyndall International (Jersey) Ltd				
Gilt Fd	129.3	136.6	7.38	45892
(Accum Shares)	631.4	673.1	7.38	45893
Managed Currency Stlg	125	133	-	45894
International	487	491	0.24	45895
Warburg Asset Management Jersey Ltd				
Energy Intl	$125.32	132.98	-	45933
Mercury Bond Nov 17	£30.94	32.59	5.49	45934
Merc Money Mkt Stg	£46.53		-	45938
Merc Intl Gold & General	$1.30	1.38	-	49198
Mercury International Inv Tst Ltd				
Contl Europn Fd	£90.80	97.29	-	41043
Nth America Fd	£60.57	64.80	-	41045
Japan Fd	£52.90	56.67	-	41041
Pacific Fd	£91.18	97.68	-	41118
Reserve Fd	£50.58	53.12	-	41208
Worldinvest (Managers) Jersey Ltd				
Worldinvest Inc Fd †	$278.81	290.21	5.66	44715
Excalibr Global Eqty $ *	$71.25	77.61	-	47878
Excalibr Stg Gtd Fixed Inc*	£12.73	12.81	1.66	49199
Valued weekly * Mondays. † Wednesdays.				

LUXEMBOURG (SIB RECOGNISED)

	Init Chrge	Canc Price	Bid Price	Offer Price	Yield Gr's	City-Line
Abtrust Fund Mngrs Luxembourg SA (u)						
13 rue Goethe L-1637 Luxembourg 010 352 4046461						
Abtrust Atlas Fund						
Global Cap Portfolio		£-	3.094	3.263	-	45309
United States Portfolio		$-	3.592	3.900	-	45310
United Kingdom Portfolio		£-	1.358	1.476	-	45311
Contl Europe Portfolio		DM-	4.999	5.317	0.66	45312
Eurovalue Portfolio		£-	1.475	1.602	-	47062
Japan Portfolio		£-	0.794	0.863	-	45313
Pacific Portfolio		£-	5.427	5.883	-	45314
Gold Portfolio		£-	5.506	5.985	0.50	45315
UK Growth of Income		£-	1.719	1.868	7.07	45316
Dollar Portfolio		$-	1.993	1.984	6.76	45320
Jap Smllr Cos P'folio		$-	1.016	1.104	-	45321
Sterling Portfolio		£-	1.110	1.111	6.48	45323
BAII Intermarket Fund						
2 Boulevard Royal, Luxembourg 010 352 4590 3362						
NAV Oct 29		$-	988.33		-	45301
Intermarket Multicurrency Fund						
Classe A Nov 3		FFr-	2254.83		-	45300
Classe B Nov 3		£-	230.75		-	45301
Classe C Nov 3		$-	538.48		-	45302
Bank Von Ernst & Cie AG						
Marktgasse 63/65, 3001 Berne, Switzerland 313114081						
Von Ernst Global Portfolio						
Equity Sub-Funds						
UK Equity		£-	13.17	-	-	47932
UK Smaller Co's Eqty		£-	18.24	-	-	41935
Nth American Equity		$-	10.56	-	-	47939
US Smaller Co's Eqty		$-	11.12	-	-	41536
Pacific Basin Equity		$-	13.92	-	-	47980
Japanese Equity		Y-	600	-	-	47938
European Equity		DM-	10.86	-	-	47983
Bond Sub-Funds						
Sterling Fixed Int		£-	13.74	-	-	47982
Sterling Fixed Int Div		£-	11.40	-	-	48817
European Fixed Int		DM-	11.52	-	-	47984
European Fixed Int Div		DM-	9.59	-	-	49532
International Sub-Funds						
Global Equity		$-	11.72	-	-	47980
Global Bond		$-	11.86	-	-	47985
Global Bond Div		$-	10.11	-	-	49687
Global Managed		$-	10.16	-	-	47987
Global Portfolio-DM Bond		DM-	-	-	-	-
Global Portfolio-DM Short term		DM-	-	-	-	-
Global Portfolio-Swiss Eqty		SFr-	-	-	-	-
Banque Scandinave a Luxembourg SA						
16 Boulevard Royal, L-2449, Luxembourg						
Skandifonds						
Skandifond Equity Fund						
Equity Intl Acc	5	$-	16.78	16.94	3.17	45798
Equity Global	5	$-	1.5	1.62	-	47472
Equity Natural Res	5	$-	1.26	1.26	-	45803
Equity Japan Acc	5	Y-	104.93	105.95	-	46587
Equity UK	5	£-	1.5	1.52	-	47474
Equity Nordic	5	$-	1.37	1.39	-	47475
Equity North America	5	$-	2.05	2.08	-	47477
Equity Mediterranean	5	$-	0.9	0.92	-	47476
Equity Contl Europe	5	$-	1.62	1.65	-	47475
Skandifond Far East						
Far East Global	5	$-	4.44	4.5	-	45807
Skandifond Bond Fund						
Bond Intl Acc	1	$-	12.81	12.94	6.84	45800
Europe Bond Acc	1	£-	1.59	1.61	7.15	48449
Bond DEM Acc	1	DM-	1.3	1.33	6.64	45525
Bond USD Acc	1	$-	1.45	1.48	5.79	47524
Bond Sweden Acc	1	SKr-	17.45	17.53	10.10	45528
Skandifond International, Sicav						
Intl Emerging Markets	5	$-	1.43	1.45	-	48030

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CURRENCIES, MONEY AND CAPITAL MARKETS

FOREIGN EXCHANGE AND MONEY MARKETS

Germany triggers wave of easing

The Deutsche Bundesbank's repo rate reduction last Tuesday triggered a wave of money market easing across Europe, *writes Conner Middelmann.*

The Bundesbank's two-week repo rate fell by nine basis points to 6.29 per cent on Tuesday. That was followed by Thursday's announcement of a 6.25 per cent fixed-rate repo for this week, which was seen as a signal from the German central bank that while rates will continue to fall, they will only ease gradually.

The Bundesbank's rate cut, preceded by a unilateral Danish rate reduction on Monday, was followed in the course of the week by cuts in money market rates in the Netherlands, Belgium, Austria, Norway and Portugal.

Some say this may continue in the near term if the D-Mark stays weak against its partners in the European exchange-rate mechanism, allowing them to trim their rates further.

France is eyed as a prime candidate for near-term easing, especially since its currency strengthened markedly against the D-Mark over the last week. The franc closed at FFr3.4690 on Friday, up from FFr3.4830 a week ago.

However, with the French authorities intent on safeguarding the value of the franc while rebuilding their foreign currency reserves, many market players feel the Bank of France will wait for cuts in Germany's leading rates before making a move. The Bundesbank's central bank council is widely expected to lower its key discount and Lombard rates at one of its two December meetings.

The dollar ended the week on a strong note, buoyed by high hopes for world trade talks and a general optimism on the US economy. Dealers said the currency's ability to hang on at the end of the week, a change from the usual Friday profit-taking, indicated it could see further gains this week.

£ IN NEW YORK

Nov 19	Close	Previous Close
£ Spot	1.4730-1.4740	1.4760-1.4770
1 month	0.33-0.32pm	0.33-0.32pm
3 months	0.75-0.74pm	0.78-0.77pm
12 months	2.10-2.05pm	2.28-2.23pm

Forward premiums and discounts apply to the US dollar

STERLING INDEX

	Nov 19	Previous
8.30 am	81.0	80.9
9.00 am	81.0	80.9
10.00 am	81.1	80.9
11.00 am	81.1	81.0
Noon	81.1	81.0
1.00 pm	81.1	81.0
2.00 pm	81.1	81.0
3.00 pm	81.0	81.0
4.00 pm	81.0	81.0

CURRENCY MOVEMENTS

Nov 19	Bank of England Index	Morgan Guaranty Changes %
Sterling	81.0	-28.41
U.S Dollar	87.0	-10.90
Canadian Dollar	91.4	-10.57
Austrian Schilling	114.5	+18.46
Belgian Franc	111.7	-1.39
Danish Krone	114.6	+8.92
D-Mark	124.1	+51.91
Swiss Franc	114.0	+23.20
Dutch Guilder	119.3	+21.51
French Franc	106.8	-8.88
Lira	76.9	-36.93
Yen	181.7	+124.18
Peseta	87.2	-33.58

Morgan Guaranty changes: average 1980-1982=100. Bank of England (Base Average 1985=100) **Rates are for Nov 18

OTHER CURRENCIES

Nov 19	£	$
Argentina	1.4695 - 1.4700	0.9975 - 0.9985
Australia	2.2300 - 2.2320	1.5145 - 1.5160
Brazil	312.645 - 312.851	212.325 - 212.327
Finland	8.5470 - 8.5770	5.8045 - 5.8245
Greece	360.910 - 361.645	245.100 - 245.600
Hong Kong	11.3775 - 11.3785	7.7265 - 7.7275
Iran	2510.60 - 2512.60	1705.00 - 1707.00
Korea(Sth)	1187.00 - 1187.25	806.100 - [illegible]
Kuwait	0.43940 - 0.44040	0.29840 - 0.29910
Luxembourg	53.60 - 53.70	36.40 - 36.50
Malaysia	3.7585 - 3.7605	2.5525 - 2.5535
Mexico	4.5855 - 4.6000	3.1140 - 3.1240
N.Zealand	2.6835 - 2.6885	1.8225 - 1.8245
Saudi Ar	5.5225 - 5.5255	3.7515 - 3.7525
Singapore	2.3530 - 2.3540	1.5980 - 1.5990
S.Af (Cm)	4.9580 - 4.9650	3.3670 - 3.3720
S.Af (Fn)	6.3280 - 6.3430	4.2975 - 4.3075
Taiwan	39.50 - 39.65	26.86 - 26.95
U.A.E.	5.4060 - 5.4085	3.6725 - 3.6735

CURRENCY RATES

Nov 19	Bank § rate %	Special * Drawing Rights	European † Currency Unit
Sterling	-	0.940231	0.780512
US Dollar	3.00	1.38670	1.12252
Canadian $	4.46	1.83360	1.48509
Austrian Sch	5.25	16.7187	13.5241
Belgian Franc	5.50	50.3962	40.8231
Danish Krone	6.75	9.42260	7.62348
D-Mark	5.75	2.37618	1.92267
Dutch Guilder	5.50	2.66626	2.15868
French Franc	-	8.22601	6.66692
Italian Lira	8.5	2318.78	1882.32
Japanese Yen	1.75	148.745	121.179
Norway Krone	-	10.3009	8.34254
Spanish Peseta	-	191.894	154.725
Swedish Krona	11.50	11.4378	9.34496
Swiss Franc	4.25	2.08519	1.68863
Greek Drach	21	N/A	276.081
Irish Punt	-	N/A	0.801158

§ Bank rate refers to central bank discount rates. These are not quoted by the UK, Spain and Ireland. † European Commission Calculations. * All SDR rates are for Nov 18

CHICAGO

U.S. TREASURY BONDS (CBT) 8% $100,000 32nds of 100%

	Close	High	Low	Prev.
Dec	115-00	116-02	114-25	116-08
Mar	113-22	114-25	113-16	114-28
Jun	112-20	113-16	112-16	113-25
Sep	111-22	112-12	111-20	112-27
Dec	111-09	111-30	111-09	112-15
Mar	110-19	110-19	110-19	111-25
Jun	109-31	109-31	109-31	111-04
Sep	109-14	109-14	109-14	110-17
Dec	108-31	108-31	108-31	110-00
Mar	108-18	108-30	108-18	109-17

U.S. TREASURY BILLS (IMM) $1m points of 100%

	Close	High	Low	Prev.
Dec	96.81	96.83	96.80	96.84
Mar	96.62	96.66	96.61	96.66
Jun	96.37	96.40	96.36	96.43

BRITISH POUND (IMM) $a per £

	Close	High	Low	Prev.
Dec	1.4692	1.4780	1.4670	1.4738
Mar	1.4626	1.4700	1.4602	1.4670
Jun	1.4570	1.4640	1.4560	1.4610

SWISS FRANC (IMM) SFr 125,000 $ per SFr

	Close	High	Low	Prev.
Dec	0.6635	0.6659	0.6606	0.6640
Mar	0.6621	0.6645	0.6590	0.6625
Jun	0.6617	-	-	0.6620

JAPANESE YEN (IMM) Y12.5m $ per Y100

	Close	High	Low	Prev.
Dec	0.9203	0.9328	0.9199	0.9319
Mar	0.9233	0.9321	0.9227	0.9348
Jun	0.9269	0.9275	0.9275	0.9363

DEUTSCHE MARK (IMM) DM125,000 $ per DM

	Close	High	Low	Prev.
Dec	0.5814	0.5841	0.5803	0.5826
Mar	0.5777	0.5803	0.5768	0.5789
Jun	0.5760	0.5755	0.5755	0.5762

THREE-MONTH EURODOLLAR (IMM) $1m points of 100%

	Close	High	Low	Prev.
Dec	96.46	96.50	96.44	96.50
Mar	96.37	96.41	96.35	96.42
Jun	96.06	96.11	96.04	96.12
Sep	95.75	95.80	95.72	95.82
Dec	95.32	95.39	95.31	95.41
Mar	95.23	95.30	95.22	95.32
Jun	95.02	95.07	95.01	95.11
Sep	94.83	94.87	94.82	94.92

STANDARD & POORS 500 INDEX $500 times index

	Close	High	Low	Prev.
Dec	461.55	463.60	460.20	463.40
Mar	462.60	464.60	461.45	464.45
Jun	463.65	465.55	462.40	465.50
Sep	464.75	466.65	463.50	466.60

PHILADELPHIA SE £/$ OPTIONS £31,250 (cents per £1)

Strike Price	Calls Dec	Calls Jan	Calls Feb	Calls Mar	Puts Dec	Puts Jan	Puts Feb	Puts Mar
1.425	4.32	4.96	5.41	6.74	0.20	1.01	1.68	2.25
1.450	2.39	3.34	3.88	4.29	0.71	1.88	2.58	3.29
1.475	1.01	2.12	2.66	3.10	1.82	3.03	3.65	4.54
1.500	0.28	1.24	1.79	2.22	3.63	4.63	5.01	6.09
1.525	0.04	0.67	1.13	1.51	5.75	6.55	7.23	7.80
1.550	0.01	0.32	0.68	0.98	8.11	8.62	9.16	9.74
1.575	-	0.13	0.38	0.61	10.59	10.91	11.39	11.84

Previous day's open int: Calls 683,473 Puts 581,185 (All currencies)
Previous day's volume: Calls 4,780 Puts 16,281 (All currencies)

POUND SPOT - FORWARD AGAINST THE POUND

Nov 19	Day's spread	Close	One month	% p.a.	Three months	% p.a.
US	1.4690 - 1.4785	1.4715 - 1.4725	0.33-0.31cpm	2.61	0.77-0.74pm	2.05
Canada	1.9480 - 1.9640	1.9520 - 1.9530	0.25-0.23cpm	1.50	0.67-0.53pm	1.23
Netherlands	2.8065 - 2.8425	2.8275 - 2.8375	par-⅛cdis	-0.26	⅛-⅜dis	-0.35
Belgium	53.55 - 53.80	53.60 - 53.70	8-11cdis	-2.12	26-35dis	-2.27
Denmark	9.9800 - 10.0475	10.0000 - 10.0100	1¾-2¼oredis	-2.62	5⅝-7⅜dis	-2.52
Ireland	1.0500 - 1.0565	1.0525 - 1.0535	0.04-0.06cdis	-0.57	0.15-0.19dis	-0.65
Germany	2.5225 - 2.5350	2.5225 - 2.5275	⅛-¼pfdis	-0.89	⅜-½dis	-0.69
Portugal	254.00 - 259.00	255.50 - 256.50	90-201cdis	-6.82	300-405dis	-5.51
Spain	202.75 - 203.80	202.75 - 203.05	55-65cdis	-3.55	175-192dis	-3.62
Italy	2465.25 - 2479.00	2471.00 - 2472.00	6-7liredis	-3.16	19-21dis	-3.24
Norway	10.9480 - 10.9880	10.9500 - 10.9600	1¼-¾orepm	0.89	1¾-¾pm	0.50
France	8.7375 - 8.7825	8.7525 - 8.7625	⅝-⅞cdis	-1.03	2¾-2⅝dis	-1.17
Sweden	12.2275 - 12.3125	12.2725 - 12.2825	1½-2¼oredis	-1.89	4½-5⅝dis	-1.65
Japan	159.00 - 160.00	159.00 - 160.00	½-⅜ypm	3.29	1⅝-1¼pm	3.29
Austria	17.70 - 17.82	17.69 - 17.72	⅛-1⅛grodis	-0.47	1¾-3¼dis	-0.62
Switzerland	2.2125 - 2.2275	2.2125 - 2.2225	⅛-⅛cpm	1.01	⅛-1⅛pm	1.01
Ecu	1.3125 - 1.3170	1.3135 - 1.3145	0.09-0.15cdis	-1.10	0.35-0.43dis	-1.19

Commercial rates taken towards the end of London trading. Six-month forward dollar 1.35-1.30pm 12 Month 2.20-2.10pm.

DOLLAR SPOT - FORWARD AGAINST THE DOLLAR

Nov 19	Day's spread	Close	One month	% p.a.	Three months	% p.a.
UK†	1.4680 - 1.4785	1.4715 - 1.4725	0.33-0.31cpm	2.61	0.77-0.74pm	2.05
Ireland†	1.3920 - 1.4030	1.3985 - 1.3995	0.37-0.35cpm	3.09	0.98-0.95pm	2.76
Canada	1.3210 - 1.3300	1.3270 - 1.3280	0.10-0.12cdis	-0.99	0.24-0.30dis	-0.81
Netherlands	1.9155 - 1.9265	1.9230 - 1.9240	0.43-0.45cdis	-2.78	1.16-1.18dis	-2.43
Belgium	38.25 - 38.50	38.40 - 38.50	14.00-15.00cdis	-4.77	25.00-38.00dis	-3.46
Denmark	6.7850 - 6.8050	6.7950 - 6.8000	2.75-3.15oredis	-5.21	7.40-8.10dis	-4.56
Germany	1.7080 - 1.7180	1.7145 - 1.7155	0.45-0.46pfdis	-3.18	1.16-1.19dis	-2.73
Portugal	171.75 - 174.80	173.85 - 173.95	124-129cdis	-8.73	349-363dis	-8.18
Spain	137.50 - 138.25	137.75 - 137.85	69-73cdis	-6.18	192-200dis	-5.69
Italy	1670.75 - 1679.25	1678.75 - 1679.25	7.60-8.10liredis	-5.61	22.00-23.00dis	-5.36
Norway	7.4150 - 7.4475	7.4400 - 7.4450	0.85-1.20oredis	-1.65	2.65-3.15dis	-1.56
France	5.9275 - 5.9525	5.9475 - 5.9525	1.77-1.85cdis	-3.65	4.70-4.85dis	-3.21
Sweden	8.2850 - 8.3650	8.3375 - 8.3425	2.95-3.30oredis	-4.50	7.50-8.00dis	-3.72
Japan	107.60 - 108.45	108.25 - 108.35	0.06-0.05ypm	0.61	0.31-0.30pm	1.13
Austria	12.0225 - 12.0725	12.0375 - 12.0425	2.80-3.10grodis	-2.94	7.35-8.25dis	-2.59
Switzerland	1.4995 - 1.5115	1.5065 - 1.5075	0.17-0.20cdis	-1.47	0.38-0.44dis	-1.09
Ecu†	1.1185 - 1.1235	1.1195 - 1.1205	0.35-0.33cpm	3.64	0.92-0.89pm	3.23

Commercial rates taken towards the end of London trading. † UK, Ireland and Ecu are quoted in US currency. Forward premiums and discounts apply to the US dollar and not to the individual currency.

EXCHANGE CROSS RATES

	£	$	DM	Yen	F Fr.	S Fr.	N Fl.	Lira	C$	B Fr	Pta	Ecu
£	1	1.472	2.525	159.5	8.758	2.218	2.833	2472	1.952	53.65	202.9	1.314
$	0.679	1	1.715	108.4	5.950	1.507	1.925	1679	1.326	36.45	138.5	0.893
DM	0.396	0.583	1	63.17	3.469	0.878	1.122	979.0	0.773	21.25	80.75	0.520
YEN	6.270	9.229	15.83	1000.	54.91	13.91	17.76	15496	12.24	336.4	1278	8.238
F Fr.	1.142	1.681	2.883	182.1	10.	2.533	3.235	2823	2.229	61.26	232.8	1.500
S Fr.	0.451	0.664	1.138	71.91	3.948	1	1.277	1115	0.880	24.19	91.93	0.592
N Fl.	0.353	0.520	0.891	56.30	3.091	0.783	1	872.6	0.689	18.94	71.97	0.464
Lira	0.405	0.595	1.021	64.52	3.543	0.897	1.146	1000.	0.790	21.70	82.48	0.532
C $	0.512	0.754	1.294	81.71	4.487	1.136	1.451	1266	1	27.48	104.5	0.673
B Fr.	1.864	2.744	4.706	297.3	16.32	4.134	5.281	4608	3.638	100.	380.1	2.449
Pta	0.490	0.722	1.238	78.22	4.295	1.088	1.389	1212	0.957	26.31	100	0.644
Ecu	0.761	1.120	1.922	121.4	6.665	1.688	2.156	1881	1.486	40.83	155.2	1.

Yen per 1,000: French Fr. per 10: Lira per 1,000: Belgian Fr. per 100: Peseta per 100

EURO-CURRENCY INTEREST RATES

Nov 19	Short term	7 Days notice	One Month	Three Months	Six Months	One Year
Sterling	6⅛ - 6¼	6¼ - 6	5¹³⁄₁₆ - 5⅝	5⅝ - 5½	5⅝ - 5½	5⅝ - 5½
US Dollar	3 - 2⅞	3⅛ - 3	3⅛ - 3	3⅜ - 3¼	3½ - 3⅜	3¹¹⁄₁₆ - 3⁹⁄₁₆
Can. Dollar	4⅛ - 3⅞	4⅛ - 3⅞	4⅛ - 3⅞	4⅛ - 4	4⅜ - 4¼	4¹¹⁄₁₆ - 4⁹⁄₁₆
Dutch Guilder	6⅛ - 5⅞	6⅛ - 5⅞	6 - 5⅞	5⅞ - 5¾	5⅝ - 5½	5⅝ - 5½
Swiss Franc	4¾ - 4⅝	4¾ - 4⅝	4⅝ ? 4½	4⅝ - 4½	4⅝ - 4½	4⅜ - 4¼
D-Mark	6⅜ - 6¼	6⅜ - 6¼	6⅜ - 6¼	6¼ - 6⅛	6 - 5⅞	5⅝ - 5½
French Franc	6¹³⁄₁₆ - 6¹¹⁄₁₆	6⅞ - 6¾	6⅞ - 6¾	6⅝ - 6½	6⅜ - 6¼	6⅛ - 6
Italian Lira	10 - 8	9⅛ - 8⅞	8⅞ - 8⅝	8⅝ - 8⅜	8½ - 8⅜	8⅜ - 8¼
Belgian Franc	8⅛ - 8¼	8⅛ - 8	7¹³⁄₁₆ - 7⅝	7⅜ - 7¼	7⅛ - 7	6⅝ - 6½
Yen	2⅞ - 2⅝	2¾ - 2⅝	2¾ - 2⅝	2¹¹⁄₁₆ - 2⁹⁄₁₆	2⅝ - 2½	2⅝ - 2½
Danish Krone	10 - 8	8⅛ - 7⅞	8¼ - 7⅞	8 - 7¾	7½ - 7¼	7 - 6¾
Asian $Sing	3⅛ - 2⅞	3⅛ - 2⅞	3⅛ - 2⅞	4 - 3	4 - 3	4½ - 3¼
Spanish Peseta	9⅝ - 9⅜	9⅝ - 9⅜	9⅝ - 9⅜	9¼ - 8⅞	8¾ - 8⅝	8⅝ - 8½
Portuguese Esc	11¼ - 11⅛	11⅛ - 11⅛	11⅛ - 11⅛	11⅛ - 11⅛	11⅛ - 10⅞	10⅞ - 10¾

Long term Eurodollars; two years 4⅛-4¼ per cent; three years 4⅝-4⅜ per cent; four years 5⅛-5 per cent; five years 5⅜-5¼ per cent nominal. Short term rates are call for US Dollar and Japanese Yen; others, two days' notice.

FT LONDON INTERBANK FIXING

(11.00 a.m. Nov 19)	3 months US dollars	6 months US Dollars	
bid 3⅜	offer 3½	bid 3⅜	offer 3½

The fixing rates are the arithmetic means rounded to the nearest one-sixteenth, of the bid and offered rates for $10m quoted to the market by five reference banks at 11.00 a.m. each working day. The banks are National Westminster Bank, Bank of Tokyo, Deutsche Bank, Banque Nationale de Paris and Morgan Guaranty Trust.

MONEY RATES

NEW YORK

4pm

Prime rate	6
Broker loan rate	5
Fed.funds	2⅞
Fed.funds at intervention	2⅞

Treasury Bills and Bonds

One month	2.94	Three year	4.57
Two month	2.99	Five year	5.16
Three month	3.20	Seven year	5.39
Six month	3.39	10-year	5.63
One year	3.63	30-year	6.34
Two year	4.21		

Nov 19	Overnight	One Month	Two Months	Three Months	Six Months	Lombard Intervention
Frankfurt	6.25-6.35	6.20-6.35	6.20-6.35	6.05-6.20	5.65-5.80	6.75
Paris	6¾-6⅞	6.56-6.71	-	6.38-6.53	-	6.45
Zurich	4½-4⅜	4⅞-4⅝	-	4⅜-4½	-	-
Amsterdam	6.06-6.12	5.83-5.98	-	5.75-5.85	-	-
Tokyo	2⅞-2½	-	-	-	-	-
Milan	8¾-8⅞	8¹³⁄₁₆-8⅞	-	8¾-8⅞	-	-
Brussels	-	7⅞-8	-	7⅝-7½	-	-
Dublin	6¼-6⅜	6¼-6⅜	6⁵⁄₁₆-6⁹⁄₁₆	6⁵⁄₁₆-6⁹⁄₁₆	5⅞-6	-

LONDON MONEY RATES

Nov 19	Overnight	7 days notice	One Month	Three Months	Six Months	One Year
Interbank Offer	7	6¼	5⅝	5⅝	5½	5⅜
Interbank Bid	5¼	5¾	5½	5½	5⅜	5¼
Sterling CDs.	-	-	5⅝	5⁹⁄₁₆	5⅜	5⅜
Local Authority Deps.	5¾	5¾	5⅝	5½	5⅜	-
Local Authority Bonds	-	-	-	-	-	-
Discount Mkt Deps	5⅞	5¹³⁄₁₆	-	-	-	-
Company Deposits	-	-	5⅝	5½	5⁷⁄₁₆	5⅜
Finance House Deposits	-	-	5⅝	5½	5⅜	-
Treasury Bills (Buy)	-	-	5⁷⁄₁₆	5⁵⁄₁₆	-	-
Bank Bills (Buy)	-	-	5⁷⁄₁₆	5⅜	5⅜	-
Fine Trade Bills (Buy)	-	-	-	-	-	-
Dollar CDs	-	-	2.98	3.09	3.21	3.54
SDR Linked Dep. Offer	-	-	4⅛	4⅛	4⅛	4
SDR Linked Dep. Bid	-	-	4	3⅞	3⅞	3⅞
ECU Linked Dep. Offer	-	-	7⅛	6⅞	6⅝	6⅛
ECU Linked Dep. Bid	-	-	6⅞	6⅝	6⅜	6

Treasury Bills (sell); one-month 5⅜ per cent; three months 5 per cent; six months 5 per cent; Bank Bills (sell): one-month 5½ per cent; three months 5¼ per cent; Treasury Bills; Average tender rate of discount 4.9838 p.c. ECGD Fixed Rate Sterling Export Finance. Make up day October 29, 1993. Agreed rates for period Nov 24, 1993 to Dec 25, 1993 Schemes II & III: 7.06 p.c. Reference rate for period Oct 1, 1993 to Oct 29, 1993, Scheme IV&V: 5.820 p.c. Local Authority and Finance Houses seven days' notice, others seven days' fixed. Finance Houses Base Rate 6pc from November 1, 1993: Bank Deposit Rate for sums at 7 days notice 5⅛ p.c. Certificates of Tax Deposit (Series 6): Deposit £100,000 and over held under one month 2¾ p.c.; one-three months 5¼ p.c.; three-six months 5 p.c.; six-nine months 4¾ p.c.; nine-twelve months 4½ p.c.; Under £100,000 2¾ p.c. from Jan.27, 1993, Deposits withdrawn for cash 1¾ p.c.

LONDON RECENT ISSUES

EQUITIES

Issue Price p	Amt Paid up	Latest Renunc. Date	1993 High	1993 Low	Stock	Closing Price p	+or-	Net Div.	Div. Cov.	Grs Yld	P/E Ratio
§140	F.P.	-	160	143	Abacus	[illegible]					
-	F.P.	-	94	69	Abtrust Emg Economies	[illegible]					
-	F.P.	-	52	46	Do Warrants	[illegible]					
175	F.P.	-	185	173	Alders	[illegible]					
170	F.P.	-	178	160	BGM	[illegible]					
100	50	-	62	50½	97th Endowment Fund	[illegible]					
100	F.P.	-	102	99½	CLM Inc	[illegible]					
200	F.P.	-	205	195	Canadian Pizza	[illegible]					
§450	F.P.	-	475	433	Cantab Pharmaceuticals	[illegible]					
125	F.P.	-	168	125	Centreway	[illegible]					
110	F.P.	-	110	98	Charles Sidney	[illegible]					
100	F.P.	-	114	102	Cleveland Trust	[illegible]					
-	F.P.	-	20	10	[illegible]	[illegible]					
-	F.P.	-	142	123	Crest Packaging	[illegible]					
100	F.P.	-	102	96	Delian Lloyds Inv Tst	[illegible]					
-	F.P.	-	1¼	1¼	[illegible] Energy	[illegible]					
-	F.P.	-	112	105	Finsbury Underwriting	[illegible]					
-	F.P.	-	55	51	For & Col Emer Mkts Wts	[illegible]					
163	F.P.	-	170	165	Gartmore	[illegible]					
-	F.P.	-	111	103	Gartmore Shared Equity	[illegible]					
-	F.P.	-	104¼	100¾	Do Zero Div Pf	[illegible]					
100	F.P.	-	102	98	HCG Lloyds Inv Tst	[illegible]					
100	F.P.	-	111	102	Hesco Select Ins	[illegible]					
-	F.P.	-	15	10	Ldn. Fgn. & Inv. Wrts.	[illegible]					
100	F.P.	-	102	100	London Insc Mkt	[illegible]					
-	F.P.	-	474	315½	Rothmans Intl. Units	[illegible]					
250	F.P.	-	253	240	Roxboro	[illegible]					
§290	F.P.	-	323	291	Scotia	[illegible]					
135	F.P.	-	141	141	[illegible] Inv Tst C	[illegible]					
100	F.P.	-	102	102	Throg Prtd Income	[illegible]					
§130	F.P.	-	195	185	Towry Law	[illegible]					
-	F.P.	-	111	106	Upland Ind	[illegible]					
-	F.P.	-	325	307	Vendome Luxury Uts	[illegible]					
§170	F.P.	-	323	292	Velocity Group	[illegible]					
-	F.P.	-	4¼	3	Wiggins	[illegible]					

RIGHTS OFFERS

Issue Price p	Amount Paid up	Latest Renunc. Date	1993 High	1993 Low	Stock	Closing Price p	+or-
280	Nil	9/12	46pm	29pm	Ashtead	[illegible]	
85	Nil	23/11	14pm	5pm	Cortecs	[illegible]	
63	Nil	14/12	8pm	3pm	Ellicott (E)	[illegible]	
35	Nil	13/12	1¾pm	⅜pm	Eng & Overseas Props	[illegible]	
¼	Nil	23/12	1¼pm	⅛pm	Ferromet	[illegible]	
11	Nil	23/12	1⅛pm	1⅛pm	Graystone	[illegible]	
3⅛	Nil	23/12	½pm	⅛pm	SMC Inds	[illegible]	
485	Nil	24/11	80pm	58pm	Siebe	[illegible]	
-	Nil	8/12	11pm	6pm	Upland	[illegible]	
375	Nil	25/11	47pm	38pm	Wilson Bowden	[illegible]	
152	Nil	14/1	23pm	11pm	Wyevale Garden Centres	[illegible]	

pm Price at a premium. For other notes please refer to the Guide to the London Share Service

BANK OF ENGLAND TREASURY BILL TENDER

	Nov 19	Nov 12
Bills on offer	£700m	£700m
Total of applications	[illegible]	[illegible]
Total allocated	£700m	£700
Minimum accepted bid	£98.755	£98.750
Allotment at minimum level	70%	60%

	Nov 19	Nov 12
Top accepted rate of discount	[illegible]	[illegible]
Average rate of discount	[illegible]	[illegible]
Average yield	[illegible]	[illegible]
Amount on offer at next tender	[illegible]	[illegible]
Minimum accept bid 182 day	[illegible]	[illegible]

WEEKLY CHANGE IN WORLD INTEREST RATES

	Nov 19	Change
LONDON		
Base rates	6	Unch'd
7 day interbank	5⅞	[illegible]
3-month interbank	5⅝	[illegible]
Treasury Bill Tender	4.9838	-0.0462
Band 1 Bills	5⅜	Unch'd
Band 2 Bills	5⅜	Unch'd
Band 3 Bills	-	-
Band 4 Bills	-	-
3 Mth. Treasury Bill	[illegible]	[illegible]
1 Mth. Bank Bills	[illegible]	[illegible]
3 Mth. Bank Bills	[illegible]	[illegible]
TOKYO		
One month	-	-
Three month	-	-
BRUSSELS		
One month	7⅞	-⅛
Three month	7⅛	-⅛
AMSTERDAM		
One month	5.905	-0.245
Three month	5.82	-0.280

	Nov 19	Change
NEW YORK		
Prime rates	[illegible]	Unch'd
Federal Funds	[illegible]	Unch'd
3 Mth. Treasury Bills	[illegible]	[illegible]
6 Mth. Treasury Bills	[illegible]	[illegible]
3 Mth. CD	[illegible]	[illegible]
FRANKFURT		
Lombard	6.75	Unch'd
One mth. Interbank	[illegible]	-0.125
Three month	6.125	-0.175
PARIS		
Intervention Rate	6.45	Unch'd
One mth. Interbank	[illegible]	-0.300
Three month	6.435	-0.270
MILAN		
One month	[illegible]	[illegible]
Three month	[illegible]	[illegible]
DUBLIN		
One month	[illegible]	Unch'd
Three month	[illegible]	[illegible]

BASE LENDING RATES

	%
Adam & Company	6
Allied Trust Bank	6
AIB Bank	6
●Henry Ansbacher	6
Bank of Baroda	6
Banco Bilbao Vizcaya	6
Bank of Cyprus	6
Bank of Ireland	6
Bank of India	6
Bank of Scotland	6
Barclays Bank	6
Brit Bk of Mid East	6
●Brown Shipley	6
CL Bank Nederland	6
Citibank NA	6
City Merchants Bank	6
Clydesdale Bank	6
The Co-operative Bank	6
Coutts & Co	6
Credit Lyonnais	6
Cyprus Popular Bank	6
Duncan Lawrie	6
Exeter Bank Limited	7
Financial & Gen Bank	7
●Robert Fleming & Co	6
Girobank	6
●Guinness Mahon	6
Habib Bank AG Zurich	6
●Hambros Bank	6
Heritable & Gen Inv Bk	6
●Hill Samuel	6
C. Hoare & Co	6
Hongkong & Shanghai	6
Julian Hodge Bank	6
●Leopold Joseph & Sons	6
Lloyds Bank	6
Meghraj Bank Ltd	6
Midland Bank	6
* Mount Banking	6
* (in administration)	
NatWestminster	6
●Rea Brothers	6
* Roxburghe Bank Ltd	6
* (in administration)	
Royal Bk of Scotland	6
●Smith & Williamson Secs.	6
Standard Chartered	6
TSB	6
●United Bk of Kuwait	6
Unity Trust Bank Plc	6
Western Trust	6
Whiteaway Laidlaw	6
Wimbledon & Sth West	7
Yorkshire Bank	6

● Members of British Merchant Banking & Securities Houses Association

STOCK INDICES

	Nov 19	Nov 18	Nov 17	Nov 16	Nov 15	Nov 12	1993 High	1993 Low	Since Compilation High	Since Compilation Low
FT-SE 100	3108.0	3125.5	3120.0	3097.5	3093.3	3099.1	3199.0	2737.6	3199.0	986.9
FT-SE Mid 250	3456.3	3453.5	3436.7	3421.0	3418.5	3421.1	3547.0	2878.3	3547.0	1379.4
FT-SE-A 350	1549.2	1555.7	1552.0	1541.7	1539.6	1542.3	1593.6	1346.7	1593.6	664.5
FT-A All-Share	1533.12	1539.37	1536.05	1526.64	1524.77	1527.46	1577.12	1086.13	1577.12	61.92
FT-SE Eurotrack 100	1360.53	1367.52	1363.56	1353.29	1347.91	1339.42	1386.16	1063.02	1386.16	900.45
FT-SE Eurotrack 200	1420.27	1427.61	1423.11	1416.29	1413.86	1402.16	1447.89	1144.79	1447.89	938.82
FT Ordinary	2357.6	2371.4	2363.6	2347.9	2346.4	2343.7	2414.2	2124.7	2414.2	49.4
FT Government Secs.	103.69	103.84	103.54	103.13	103.07	102.74	103.84	93.28	127.40	49.18
FT Fixed Interest	124.18	124.15	123.78	123.47	123.34	123.36	125.20	106.67	125.20	50.53
FT Gold Mines	245.3	246.6	242.6	246.9	243.2	249.6	249.6	80.0	734.7	43.5

LONDON SHARE SERVICE

BRITISH FUNDS

	Notes	Price £	Wk % Ch'nge	Amnt £m	Interest due	Last xd	City line
"Shorts" (Lives up to Five Years)							
Treas 8½pc 1994		100⅛	—	2,100	Au3 Fe3	28.6	4971
14½pc 1994‡‡		102⅞	-1	850	Se1 Mr1	26.7	1307
Exch 13½pc 1994		103½	-1	1,100	Oc27 Ap27	20.9	1267
Treas. 10pc Ln. 1994‡‡		102⅞xd	-1	1,900	De9 Je9	2.11	1234
Exch 12½pc 1994		105⅞	-1	1,240	Fe22 Au22	16.7	1263
Treas 9pc 1994‡‡		103⅝	—	1,908	My17 Nv17	11.10	1345
12pc 1995		107⅞	-1	2,350	Jy25 Ja25	18.6	1294
Exch 3pc Gas 90-95		97⅝	-1	214	Nv1 My1	27.9	1271
10¼pc 1995		107¾	—	2,600	Ja21 Jy21	14.6	1254
Treas 12¾pc 1995‡‡		113⅝	—	840	My15 Nv15	11.10	1293
14pc 1996		117⅞	-1	770	Jy22 Ja22	16.6	1305
15¼pc 1996‡‡		121⅜	-1	1,150	Nv3 My3	27.9	1309
Exch 13¼pc 1996‡‡		117⅞	-1	800	Nv15 My15	11.10	1264
Conversion 10pc 1996		111⅞	0.2	3,409	My15 Nv15	11.10	1240
Treas 13¼pc 1997‡‡		120⅞	0.1	1,298	Jy22 Ja22	15.6	1302
Exch 10½pc 1997		113⅞	0.1	3,700	Au21 Fe21	15.7	1253
Treas 8¾pc 1997‡‡		108⅞	0.2	5,550	Mr1 Se1	26.7	1341
Exch 15pc 1997		130⅞	0.2	830	Ap27 Oc27	20.9	1269
9¾pc 1998		113⅞	0.2	3,650	Jy19 Ja19	14.6	1273
Treas 7¼pc 1998‡‡		104⅞	0.3	6,250	Mr30 Se30	24.8	-
7¼pc 1998 B‡‡		104⅞	0.3	1,600	Mar30 Sep30	-	-
Treas 6¾pc 1995-98‡‡		101⅞	0.1	1,209	Nv1 My1	27.9	1331
15pc '98-1		128⅞	0.2	970	Nv22 My22	18.10	1336
Five to Fifteen Years							
Treas 15½pc '98‡‡		136⅞	0.2	585	Mr30 Se30	24.8	1308
Exch 12pc 1998		123⅞	0.3	3,909	My20 Nv20	14.10	1259
Treas 9½pc 1999‡‡		113⅞	0.3	1,900	Jy15 Ja15	8.6	1247
Exch 12¼pc 1999		125⅞	0.3	3,050	Se26 Mr26	20.8	1264
Treas 10½pc 1999		118⅞	0.4	1,252	Nv19 My19	13.10	1283
Treas 6pc 1999 (£50pd)‡‡		49¼	0.7	3,500	Fe10 Au10		
Conversion 10¼pc 1999		118¼	0.4	1,798	My22 Nv22	18.10	1242
9pc 2000‡‡		113⅞	0.5	6,358	Se3 Mr3	28.7	1344
Treas 13pc 2000		133⅞	0.5	3,171	Ja14 Jy14	7.6	1299
10pc 2001		118⅞	0.6	4,406	Au26 Fe26	20.7	1280
7pc '01‡‡		102⅞	0.7	3,250	My6 Nv6	-	-
9¾pc 2002		♦119⅞	0.7	6,527	Fe27 Au27	21.7	1349
8pc 2003‡‡		109¼xd	0.7	7,600	Je10 De10	3.11	-
10pc 2003		122⅞	0.8	2,503	Mr8 Se8	2.8	1231

BRITISH FUNDS - Cont.

	Notes	Price £	Wk % Ch'nge	Amnt £m	Interest due	Last xd	City line
Treas 11½pc 2001-4		128¼	0.7	1,620	Se19 Mr19	13.8	1290
Funding 3½pc '99-4		81⅞	1.0	849	Ja14 Jy14	7.6	1274
Conversion 9½pc 2004		120⅞	1.0	3,412	Ap25 Oc25	20.9	1248
Treas 6¾pc 2004		100¼	0.7	3,250	My26 Nv26	-	-
Conv 9½pc 2005		120⅞	0.9	4,842	Oc18 Ap18	13.9	1247
Treas 12½pc 2003-5		138⅞	1.0	2,200	My21 Nv21	16.10	1295
7¾pc 2006‡‡		107⅞	0.9	3,900	Mr8 Se8	2.8	-
8pc 2002-6‡‡		107½	0.8	2,000	Ap5 Oc5	1.9	1394
Treas 11¾pc 2003-7		131⅞	1.1	3,150	Jy22 Ja22	16.8	1293
Treas 8½pc 2007‡‡		113⅞	0.9	5,497	Ja16 Jy16	8.6	1336
8½pc 2007 C‡‡		113⅞	0.9	1,300	Ja16 Jy16	-	-
13½pc '04-8		146⅞	0.9	1,280	Se26 Mr26	20.8	1301
Over Fifteen Years							
Treas 9pc 2008‡‡		118⅛	0.9	6,321	Ap13 Oc13	8.6	1343
8pc 2009		109⅛	0.9	3,100	Mr25 Se25	19.8	1336
Conv 9pc Ln 2011‡‡		119⅞	0.8	4,273	Ja12 Jy12	7.6	1245
9pc 2011 B‡‡		119⅞	0.8	1,000	Jy12 Ja12	-	-
Treas 9pc 2012‡‡		119⅞	0.9	5,150	Fe6 Au6	30.6	1701
Treas 5½pc 2008-12‡‡		87⅞	1.2	1,000	Mr10 Se10	4.8	1330
Treas 8pc 2013‡‡		110⅛	0.8	4,350	Mr27 Se27	22.8	-
7¾pc 2012-15‡‡		107⅜	0.9	800	Jy26 Ja26	21.6	1332
Treas 8¾pc 2017‡‡		119⅞	0.9	6,950	Fe25 Au25	19.7	1982
Exch 12pc '13-17		150¼xd	0.8	1,000	Je12 De12	6.11	1260
Undated							
Consols 4pc		50⅞	1.7	368	Fe1 Au1	25.6	1239
War Loan 3½pc‡‡		49⅞xd	1.9	1,909	Je1 De1	25.10	1352
Conv 3½pc '61 Aft		67⅛	1.0	119	Ap1 Oc1	25.9	1243
Treas 3pc '66 Aft		41⅝	4.4	56	Ap5 Oc5	1.9	1324
Consols 2½pc		35⅛	3.8	276	5JaApJyOc	1.9	1238
Treas 2½pc		34⅝	2.0	475	Ap1 Oc1	25.8	1315

BRITISH FUNDS - Cont.

	Notes	Price £	Wk % Ch'nge	Amnt £m	Interest due	Last xd	City line
Index-Linked	(b)						
Treas. 2pc '94	(102.8)	136⅞	0.1	600	Nv16 My16	11.10	5070
2pc '96	(67.9)	203¼	0.3	1,200	Mr16 Se16	16.8	1313
4⅝pc '98‡‡	(135.6)	112½	0.1	600	Ap27 Oc27	20.9	-
2½pc '01	(78.3)	172⅝	0.4	1,350	Mr24 Se24	18.8	1316
2½pc '03	(78.8)	169⅞	0.4	1,050	Nv20 My20	14.10	1317
4⅜pc '04‡‡	(135.6)	115¼	0.4	800	Ap21 Oc21	14.9	-
2pc '06	(69.5)	179⅞	0.6	1,550	Ja19 Jy19	14.6	1314
2½pc '09	(78.8)	163⅞	0.6	1,550	Nv20 My20	14.10	1318
2½pc '11	(74.6)	170⅞	0.6	1,800	Fe23 Au23	19.7	1319
2½pc '13	(89.2)	141⅛-112.6		2,150	Fe16 Au16	12.7	1330
2½pc '16	(81.6)	151⅞	0.7	2,400	Ja26 Jy26	21.6	1321
2½pc '20	(83.0)	146⅞	0.7	2,400	Oc16 Ap16	9.9	1322
2½pc '24‡‡	(97.7)	122⅛	0.7	1,709	Ja17 Jy17	10.6	1323
4⅛pc '30‡‡	(135.1)	122⅞	0.8	1,109	Jy22 Ja16	15.6	-

(b) Figures in parentheses show RPI base for indexing (ie 8 months prior to issue) and have been adjusted to reflect rebasing of RPI to 100 in January 1987. Conversion factor 3.945. RPI for March 1993: 139.3 and for October 1993: 141.8.

OTHER FIXED INTEREST

	Notes	Price £	Wk % Ch'nge	Amnt £m	Interest due	Last xd	City line
African Dev 11¼ 2010		135⅞	0.8	50	Ja4 Jy4	1.12	-
Asian Dev 10¼pc 2009		127⅞	0.9	100	Mr24 Se24	28.3	-
B'ham 11½pc 2012		132⅞	1.9	45	My15 Nv15	17.4	1837
Ireland Cap 8½pc '10		110	0.7	304	Ap1 Oc1	-	1485
9pc Cap 1996		102	0.1	726	Ja30 Jy30	-	-
13pc '97-2		114½	0.2	315	Ap1 Oc1	28.8	1428
Hydro Quebec 15pc 2011		161⅞	0.8	40	My31 Nv31	27.10	-
Leeds 13½pc 2006		143¼	1.2	40	Ap1 Oc1	12.3	3146
Liverpool 3½pc Irred		42	1.2	5	1JaApJeOc	1.6	3169
LCC 3pc '20 Aft		37⅝	0.7	26	1MrJeSeDe	1.6	-
Manchester 11½pc 2007		130¼	2.5	7	Ap25 Oc25	30.3	3275
Met. Wtr. 3pc 'B'		73⅛	1.4	25	Mr1 Se1	1.8	3361
N'wide Anglia 3⅞pc 2021		144	0.7	60	Ja30 Jy30	8.1	3465
4⅛pc IL 2024		138¼	0.7	50	Fe23 Au23	20.7	-
Utd Mex States 16½pc 2008		153	2.3	50	Mr1 Se1	27.8	-

Continued on next page

FT-ACTUARIES WORLD INDICES

Jointly compiled by The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited in conjunction with the Institute of Actuaries and the Faculty of Actuaries

NATIONAL AND REGIONAL MARKETS Figures in parentheses show number of lines of stock	FRIDAY NOVEMBER 19 1993 US Dollar Index	% chg ($) since 31/12/92	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	Local % chg from 31/12/92	Gross Div. Yield	THURSDAY NOVEMBER 18 1993 US Dollar Index	Pound Sterling Index	Yen Index	DM Index	Local Currency Index	DOLLAR INDEX 1993 High	1993 Low	Year ago (approx)
Australia (69)	155.81	+24.5	156.93	106.66	138.93	157.03	+29.8	3.30	158.19	158.79	107.14	140.72	158.92	162.83	117.39	112.29
Austria (17)	174.24	+24.3	175.49	119.28	155.36	154.91	+32.0	1.03	174.74	175.40	118.36	155.44	155.03	184.47	131.16	141.69
Belgium (42)	152.77	+14.7	153.67	104.58	136.21	137.33	+25.7	4.19	153.75	154.34	104.13	136.77	137.45	156.76	131.19	136.70
Canada (107)	133.43	+15.4	134.39	91.34	118.96	128.26	+20.5	2.58	133.67	134.18	90.53	118.90	127.87	135.54	111.41	112.98
Denmark (32)	235.91	+26.8	237.61	161.51	210.35	218.11	+37.3	1.04	236.30	237.19	160.05	210.20	218.30	241.06	185.11	190.82
Finland (23)	122.98	+76.7	123.87	84.20	109.66	150.07	+96.4	0.70	124.37	124.84	84.24	110.84	151.74	128.99	65.50	66.32
France (98)	163.95	+11.4	165.13	112.23	146.17	153.02	+20.0	3.03	165.01	165.63	111.76	146.77	153.36	173.05	142.72	141.26
Germany (60)	131.91	+26.8	132.86	90.31	117.61	117.61	+34.3	1.81	132.69	133.19	89.88	118.03	118.03	136.13	101.59	105.92
Hong Kong (55)	376.94	+70.1	379.66	258.05	336.11	373.94	+89.8	2.93	379.10	380.54	256.77	337.25	376.26	394.34	218.82	237.58
Ireland (14)	173.08	+27.5	174.32	118.49	154.32	174.32	+47.9	3.25	175.37	176.04	118.78	156.00	176.26	177.89	129.28	126.50
Italy (70)	61.66	+12.4	62.11	42.21	54.98	77.32	+28.1	2.16	62.46	62.70	42.30	55.56	77.86	78.93	53.78	59.18
Japan (469)	143.59	+36.7	144.62	98.30	128.05	98.30	+18.6	0.83	146.33	146.88	99.11	130.18	99.11	165.91	100.75	103.19
Malaysia (69)	477.67	+82.7	481.11	326.99	425.89	469.67	+78.3	1.48	466.60	468.36	316.02	415.05	458.33	487.72	251.66	276.97
Mexico (19)	1995.15	+21.1	2009.50	1365.84	1778.92	6803.75	+21.0	0.72	1984.69	1992.20	1344.28	1765.47	6748.57	1995.15	1410.30	1521.77
Netherland (26)	189.07	+24.9	190.43	129.43	168.58	165.99	+32.1	3.19	190.40	191.12	128.96	169.38	166.85	197.07	150.39	149.75
New Zealand (13)	64.04	+49.3	64.50	43.84	57.10	62.01	+39.9	3.79	64.83	65.08	43.91	57.67	62.55	68.38	40.56	39.53
Norway (23)	177.11	+28.6	178.38	121.25	157.92	178.91	+38.4	1.43	179.02	179.69	121.25	159.25	180.53	185.10	137.71	139.49
Singapore (39)	311.46	+46.0	313.72	213.24	277.72	229.45	+42.2	1.40	312.70	313.88	211.80	278.16	229.91	332.55	207.04	193.42
South Africa (60)	229.38	+54.9	231.04	157.03	204.52	215.72	+37.3	2.49	227.83	228.49	154.17	202.48	213.19	229.39	144.72	135.31
Spain (42)	137.70	+18.1	138.69	94.27	122.78	143.75	+42.0	4.15	138.59	139.12	93.87	123.28	144.58	145.24	115.23	115.75
Sweden (36)	188.55	+13.9	189.91	129.08	168.12	232.79	+34.3	1.50	196.49	197.23	133.08	174.79	240.99	208.92	149.70	160.85
Switzerland (50)	146.51	+29.6	147.56	100.30	130.65	136.88	+33.3	1.59	148.39	148.94	99.15	130.23	136.58	148.18	108.91	104.70
United Kingdom (218)	185.46	+7.6	186.81	126.96	165.36	186.81	+10.7	3.85	187.04	187.75	126.68	166.37	187.75	193.97	162.00	165.08
USA (518)	188.28	+5.7	189.63	128.90	167.88	188.28	+5.7	2.75	188.72	189.44	127.83	167.89	188.72	191.56	175.38	174.47
Europe (751)	156.78	+15.3	157.91	107.33	139.79	152.61	+22.2	2.98	158.03	158.62	107.03	140.58	153.34	162.97	133.92	132.66
Nordic (114)	182.93	+23.4	184.24	125.23	163.10	195.04	+40.2	1.28	187.72	188.43	127.14	166.98	199.34	194.54	142.13	146.75
Pacific Basin (714)	152.49	+38.0	153.59	104.40	135.97	108.43	+22.7	1.11	155.04	155.63	105.02	137.92	109.23	166.80	105.89	107.88
Euro-Pacific (1465)	154.16	+28.1	155.27	105.53	137.45	125.88	+22.3	1.90	156.17	156.76	105.77	138.91	126.67	162.86	117.26	117.92
North America (625)	184.86	+6.1	186.19	126.56	164.85	184.16	+6.3	2.74	185.29	185.99	125.51	164.85	184.55	187.68	171.51	170.66
Europe Ex. UK (533)	138.25	+20.9	139.25	94.67	123.30	132.24	+30.8	2.43	139.31	139.84	94.38	123.95	132.85	143.73	112.51	113.10
Pacific Ex. Japan (245)	238.38	+53.1	240.08	163.20	212.55	221.46	+53.6	2.68	239.22	240.12	162.05	212.82	222.00	245.12	152.70	153.98
World Ex. US (1651)	155.53	+28.1	156.65	106.48	138.68	128.57	+22.4	1.91	157.42	158.01	106.63	140.04	129.28	162.89	118.51	118.79
World Ex. UK (1951)	163.53	+19.8	164.70	111.95	145.82	143.20	+16.0	2.06	164.91	165.53	111.70	146.71	143.81	169.66	134.22	133.93
World Ex. So. Af. (2109)	165.12	+18.2	166.31	113.05	147.24	146.51	+15.3	2.23	166.54	167.17	112.81	148.16	147.18	170.46	137.29	136.77
World Ex. Japan (1700)	178.78	+12.3	180.07	122.40	159.43	175.65	+14.5	2.79	179.52	180.20	121.60	159.72	176.14	181.67	157.47	155.58
The World Index (2169)	165.47	+18.5	166.66	113.28	147.54	147.10	+15.4	2.23	166.86	167.49	113.02	148.44	147.74	170.68	137.32	136.64

Base values: Dec 31, 1986 = 100; Finland: Dec 31, 1987 = 115.037 (US $ Index), 90.791 (Pound Sterling) and 94.94 (Local); Nordic: Dec 30, 1988 = 139.65 (US $ Index), 114.45 (Pound Sterling) and 123.22 (Local).Copyright, The Financial Times Limited, Goldman, Sachs & Co. and NatWest Securities Limited. 1987

Constituent changes during the week ending 19/11/93: Deletion: Amax (USA). Name changes: Procordia (A & B) to Pharmacia (A & B). Following the reduction in the government stake held in Argentaria (Spain), the full share capital has been included in the index with effect (18/11/93).

MONEY MARKET FUNDS

Money Market Trust Funds

	Gross	Net	Gross CAR	Int Cr
CAF Money Management Co Ltd 48 Pembury Road, Tonbridge TN9 2JD 0732 770114				
Cafcash Deposit Fund	5.47	-	5.58	3-Mth
Deposits Upto £1 million	5.57	-	5.68	3-Mth
Deposits Over £2 million	5.67	-	5.79	3-Mth
The COIF Charities Deposit Account 2 Fore Street, London EC2Y 5AQ 071-588 1815				
Deposit	5.53	-	5.61	3-Mth
Cent. Bd. of Fin. of Church of England‡ 2 Fore Street, London EC2Y 5AQ 071-588 1815				
Deposit	5.55	-	5.67	3-Mth
Gartmore Money Management Ltd 16-18 Monument St, London EC3R 8QQ 071-236 1425				
TESSA Desk 071 236 9362				
Call Fund	5.17	3.88	5.26	6-Mth
7-day Fund	5.10	3.83	5.17	6-Mth
Special Fund	5.17	3.88	5.29	1-Mth
Dollar	1.82	1.36	1.83	3-Mth
TESSA Prime	6.01	-	6.10	3-Mth

Money Market Bank Accounts

	Gross	Net	Gross CAR	Int Cr
AIB Bank High Interest Cheque Account Belmont Rd, Uxbridge UB8 1SA 0800 282115				
£2,500-£9,999	2.27	1.70	2.29	Qtr
£10,000+	3.74	2.81	3.79	Qtr
Aitken Hume Bank plc 30 City Road, London EC1Y 2AY 071-638 6070				
Treasury Account - for professional advisers				
£25,000-£49,999	5.50	4.125	5.64	Mth
£50,000 or more	5.75	4.3125	5.90	Mth
Monthly Inc Acc - for personal and business clients				
up to £9,999	4.00	3.00	4.07	Mth
£10,000 - £24,999	4.75	3.5625	4.85	Mth
£25,000 - £49,999	5.25	3.9375	5.38	Mth
£50,000 or more	5.50	4.125	5.64	Mth
Money Market quotations - please telephone				
Allied Trust Bank Ltd 97-101 Cannon St, London, EC4N 5AD 071-626 0879				
FRABA (£2,001+)	7.07	5.30	7.07	Yearly
TREBRA (£2,001+)	6.17	4.63	6.17	Yearly
TOBRA (£2,001+)	5.96	4.47	5.96	Yearly
OABA (£2,001+)	5.64	4.23	5.64	Yearly
HICA (£2,001+)	5.00	3.75	5.12	Mth
HIBCA (£2,001+)	5.50	4.13	5.64	Mth
Premium TESSA	7.56	5.67	7.56	Yearly
American Express Bank Ltd Sussex House, Burgess Hill RH15 9AQ 0444 239444				
High Performance Cheque Account				
£500-£999.99	2.00	1.50	2.02	Mth
£1,000-£4,999.99	4.50	3.38	4.59	Mth
£5,000-£9,999.99	4.75	3.56	4.85	Mth
£10,000-£24,999.99	5.00	3.75	5.12	Mth
£25,000-£49,999.99	5.25	3.94	5.38	Mth
£50,000+	5.75	4.31	5.90	Mth
Bank of Ireland High Interest Cheque Acc 36-40 High St, Slough SL1 1EL 0753 516516				
£10,000+	4.25	3.188	4.318	Qtr
£2,000-£9,999	4.00	3.000	4.060	Qtr
Bank of Scotland 38 Threadneedle St, EC2P 2EH 071-601 6446				
MM Chq Acc £2,500-£24,999	4.35	3.26	4.44	Mth
£25,000-£249,999	4.60	3.45	4.70	Mth
£250,000+	5.75	4.31	5.90	Mth
Barclays Select PO Box 125, Westwood Bus Pk, Coventry 0800 400100				
£2,000-£9,999	4.30	3.23	4.30	Yearly
£10,000-£24,999	5.20	3.90	5.20	Yearly
£25,000-£49,999	5.50	4.13	5.50	Yearly
£50,000-£99,999	6.00	4.50	6.00	Yearly
£100,000+	6.50	4.88	6.50	Yearly
Barclays Prime Account H.I.C.A. PO Box 125, Northampton 0604 252891				
£1,000-£2,499	2.20	1.65	2.22	Qtr
£2,500-£9,999	2.40	1.80	2.42	Qtr
£10,000-£24,999	3.00	2.25	3.03	Qtr
£25,000+	3.60	2.70	3.65	Qtr
Brown Shipley & Co Ltd Founders Court, Lothbury, London EC2 071-606 9833				
HICA	5.00	3.75	5.112	Qtr
Prof Demand A/c	4.875	3.656	4.986	Qtr
Caledonian Bank Plc 8 St Andrew Square, Edinburgh EH2 2PP 031 556 8235				
HICA	5.5	4.125	-	Yearly
Cater Allen Ltd 20 Birchin Lane, London EC3V 9DJ 071-623 2070				
HICA	4.60	3.35	4.60	Mth
Concert £5,000 min	5.00	3.75	5.17	Mth
Overnight	5.0625	-	5.1816	Mth
Charterhouse Bank Limited 1 Paternoster Row, EC4M 7DH 071-248 4000				
£2,500-£19,999	4.25	3.19	4.33	Mth
£20,000-£49,999	4.50	3.38	4.59	Mth
£50,000-£99,999	4.75	3.56	4.85	Mth
£100,000+	5.00	3.75	5.12	Mth
$5,000-$49,999	1.50	1.13	1.51	Mth
$50,000-$99,999	2.00	1.50	2.02	Mth
$100,000-$199,999	2.25	1.69	2.27	Mth
$200,000+	2.50	1.88	2.53	Mth
Many other currencies are available - for rates please phone ext 2169				
Clydesdale Bank Flexible Solution Acc 30 St Vincent Place, Glasgow G1 2HL 041-248 7070				
£10,000-£29,999	4.20	3.15	4.27	Qtr
£30,000-£99,999	4.22	3.17	4.29	Qtr
£100,000-£199,999	4.27	3.20	4.34	Qtr
The Co-operative Bank PO Box 300, Skelmersdale, Lancs 0345 252000				
TESSA	6.00	-	-	Yearly
Pathfinder - Card Based Current Account				
All Balances	5.84	4.38	6.00	Mth
Investment 60 - 90 Day Notice Savings				
£50,000+	6.00	4.50	6.09	6-Mth
£25,000-£49,999	5.25	3.94	5.32	6-Mth
£10,000-£24,999	4.75	3.56	4.81	6-Mth
£5,000-£9,999	3.75	2.81	3.79	6-Mth
Top Tier - Instant Access Savings				
£50,000+	4.50	3.38	4.55	6-Mth
£10,000-£49,999	4.00	3.00	4.04	6-Mth
£3,000-£9,999	3.00	2.25	3.02	6-Mth
The Co-operative Bank - Contd.				
Business Deposit - Instant Access				
£250,000+	5.21	3.91	5.34	6-Mth
£50,000-£249,999	3.80	2.85	3.84	6-Mth
£10,000-£49,999	3.50	2.62	3.53	6-Mth
£500-£9,999	3.00	2.25	3.02	6-Mth
35-90 day notice products Tel 061-832 5526				
Coutts & Co 440 Strand, London WC2R 0QS 071-753 1000				
Coutts Complete Account for clients money 15 Lombard Street, London EC3V 9AU 071-623 1013				
Rates negotiable up to...	5.125	-	-	-
Dao Heng Bank (London) PLC Premier Acc 10 Angel Court, London EC2R 7HP 071-606 1070				
£20,000+	6.25	4.69	6.40	Qtr
£10,001-£20,000	5.50	4.13	5.61	Qtr
£2,500-£10,000	5.00	3.75	5.09	Qtr
Savings Account	4.00	3.00	4.06	Qtr
Davenham Tst Plc-Davenham 500 Acc 8 St John St, Manchester M3 4DU 061-832 8484				
£10,000+ [illegible]	7.00	[illegible]	-	6-Mth
£10,000+ 1 Year	8.00	6.00	-	Yearly
£5,000+ [illegible]	9.00	6.75	-	-
Fidelity Money Market Account Fidelity Brokerage Services Ltd, Oakhill House, Hildenborough, Kent TN11 9DZ				
£1-£49,999	4.50	3.375	4.58	Qtr
£50,000-£249,999	5.00	3.75	5.09	Qtr
£250,000-£499,999	5.625	4.219	5.74	Qtr
£500,000+ Money Market Rates on request				
Gartmore Money Management Ltd 16-18 Monument St London EC3R 8QQ 071-236 1425				
HICA £10,000+	4.50	3.375	4.58	3-Mth
Halifax Bldg Soc Asset Reserve Cheque Acc Trinity Road, Halifax HX1 2RG 0422 335333				
Rates for personal customers				
£50,000 and above	6.10	4.58	6.24	Qtr
£25,000 to £49,999	5.75	4.31	5.88	Qtr
£10,000 to £24,999	5.40	4.05	5.51	Qtr
£5,000 to £9,999	4.75	3.56	4.84	Qtr
Rates for non-personal customers				
£50,000 and above	5.65	4.23	5.77	Qtr
£25,000 to £49,999	5.25	3.94	5.35	Qtr
£10,000 to £24,999	5.00	3.75	5.09	Qtr
£5,000 to £9,999	4.50	3.38	4.58	Qtr
Julian Hodge Bank Ltd 10 Windsor Place Cardiff CF1 3BX 0222 230300				
6 Mth Fixed Rate Deposit Acc	7.00	5.25	7.12	-
3 Mth Fixed Rate Deposit Acc	6.50	4.88	6.66	-
1 Mth Fixed Rate Deposit Acc	6.50	4.88	6.70	-
Humberclyde Finance Group 5 Bartley Way, Hook, Basingstoke 0256 760076				
£50,000+	6.03	4.50	6.14	[illegible]
Leopold Joseph & Sons Limited 29 Gresham Street, London EC2V 7EA 071-588 2323				
Treasury High Interest Cheque Account				
£25,001-£100,000	5.25	3.9375	5.3544	Qtr
£100,001 plus	5.50	4.1250	5.6146	Qtr
Kleinwort Benson Ltd 158 Kentish Town Rd, London NW5 2BT 071-267 1535				
H.I.C.A. (£2,500+)	5.0	3.75	5.112	Daily
Kleinwort Benson Private Bank a division of Kleinwort Benson Investment Management Ltd 158 Kentish Town Road London NW5 2BT 071-267 1535				
H.I.C.A. (£2,500+)	5.0	3.75	5.112	Daily
Lloyds Bank - Investment Account 71 Lombard St, London EC3P 3BS 0272 433372				
£100,000 and above	6.50	4.88	6.50	Yearly
£50,000+	5.40	4.05	5.40	Yearly
£25,000+	5.20	3.90	5.20	Yearly
£10,000+	5.00	3.75	5.00	Yearly
Midland Bank plc PO Box 2, Sheffield 0742 529234				
Exchequer Acc £500+	4.25	3.18	4.25	Yearly
£10,000+	5.00	3.75	5.00	Yearly
£25,000+	5.50	4.12	5.50	Yearly
£50,000+	6.50	4.87	6.50	Yearly
TESSA	5.75	-	5.75	Yearly
Nationwide Bldg Soc - BusinessInvestor Business High Interest Cheque Account Pipers Way, Swindon SN38 1NW 0800 302010				
£2,000-£4,999	2.50	1.88	2.52	Qtr
£5,000-£9,999	4.20	3.15	4.27	Qtr
£10,000-£24,999	4.80	3.60	4.89	Qtr
£25,000-£49,999	5.30	3.98	5.41	Qtr
£50,000+	5.80	4.35	5.93	Qtr
Portman Bldg Soc Prestige Cheque Account Richmond Hill, Bournemouth BH2 6EP				
£50,000+	6.00	4.50	6.00	Yearly
£30,000-£49,999	5.50	4.13	5.50	Yearly
£20,000-£29,999	5.00	3.75	5.00	Yearly
£10,000-£19,999	4.00	3.00	4.00	Yearly
£2,500-£9,999	3.00	2.25	3.00	Yearly
Royal Bank of Scotland plc Premium Acc 42 St Andrew Sq, Edinburgh EH2 2YE 031-523 8302				
£50,000+	5.00	3.75	5.09	Qtr
£25,000 - £49,999	4.60	3.45	4.68	Qtr
£10,000 - £24,999	4.00	3.00	4.06	Qtr
£5,000 - £9,999	2.50	1.88	2.52	Qtr
£2,000 - £4,999	2.00	1.50	2.02	Qtr
Save & Prosper/Robert Fleming 16-22 Western Rd, Romford RM1 3LB 0800 282101				
Client Account	4.50	3.38	4.60	Daily
TESSA Fixed 1 Year	4.41	-	4.500	Mth
TESSA Variable	5.37	-	5.50	Mth
Tyndall Bank plc 29-33 Princess Victoria St, Bristol 0272 744720				
Master Plus (£2k-£9999)	4.375	3.281	4.447	Qtr
Master Acc (£10k-£49999)	4.50	3.375	4.577	Qtr
HIMA £50k-£99999	4.625	3.469	4.705	Qtr
HIMA £100000+	4.750	3.563	4.835	Qtr
TESSA	6.15	-	6.25	Qtr
ULC Trust Limited 1 Great Cumberland Pl, London W1H 7AL 071-258 6094				
£10,000-90 day notice	7.75	5.81	7.08	3-Mth
£10,000-180 day notice	8.50	6.38	8.68	6-Mth
£25,000 - 1 Year	8.25	6.19	-	Yearly
United Dominions Trust Ltd PO Box 135, Abbey St, Reading RG1 3BB				
Capital Plus Cheque Account				
£1,000+	5.25	3.94	5.36	Qtr
J. Henry Schroder Wagg & Co Ltd 120 Cheapside, London EC2V 6DS 071-382 6000				
Special Acc.	4.875	3.660	4.980	Mth
£10,000 and above	5.125	3.840	5.220	Mth
Western Trust High Interest Cheque Acc The Moneycentre, Plymouth PL1 1SE 0752 224141				
£15,000+	5.50	4.13	5.61	Qtr
£5,000-£14,999	5.25	3.94	5.36	Qtr
£1,000-£4,999	5.00	3.75	5.09	Qtr
Wimbledon & South West Finance PLC 114 Newgate St, London EC1 7AE 071-606 9485				
High Int Cheque Acc	5.50	4.13	5.61	Qtr

NOTES - Gross: Contractual rate of interest payable, not taking account of the deduction of basic rate income tax. Net: Rate of interest payable after allowing for deduction of basic rate income tax. Gross CAR: Gross rate annualized to take account of compounding of interest paid other than once a year. *Compounded Annual Rate. Int Cr: Frequency at which interest is credited to the account.

THE KINGDOM OF BELGIUM

U.S. £100,000,000
FLOATING RATE BONDS
DUE NOVEMBER 1996

In accordance with the provisions of the Bonds, notice is hereby given that the Rate of Interest for the fifteenth Interest Period from the 22nd November, 1993 to the 23rd May, 1994 has been fixed at 3.375 per cent per annum.

Interest payable on each U.S. $250,000 on the relevant interest date, 23rd May, 1994 will be U.S. $4,265.63.

SVENSKA
INTERNATIONAL PLC,
Agent

LONDON SHARE SERVICE

AMERICANS

Notes	Price £	Wk% ch'nge	Div gross	Dividends paid	Last xd	City line
Abbott Labs	19½	–.2	68c	FeMyAuNv	11.10	1603
Allegheny & W ♥	458p	–7.8	30c			–
Amdahl	325p	1.6	5c	NvFeJnAu	31.1	–
Amer Cyanamid	38⅛	2.9	$1.75	MrJeSeDe	4.3	–
Amer Express	20⅞	0.3	$1.00	FeMyAuNv	5.10	1594
Amer T & T	37½xd	–1.5	$1.32	FeMyAuNv	25.6	1597
Ameritech	52⅜	–4.4	$3.68	FeMyAuNv	28.3	–
Anheuser-Busch	33½xd	2.7	$1.44	MrJeSeDe	4.11	1620
BankAmerica	28⅝xd	2.0	$1.40	MrJeSeDe	18.11	1744
Bankers NY	50⅜	–.9	$3.12	ApJyOcJa	1.10	1745
Bell Atlantic	40½	–3.6	$2.68	FeMyAuNv	4.7	–
BellSouth	37⅝	–3.9	$2.76	FeMyAuNv	8.4	–
Bethlehem Steel ♥	11⅛	–1.1	–	MrJeSeDe	6.2	1821
Bowater	1354p	2.8	60c	OcJaApJy	6.9	1884
CPC	32¼	0.5	$1.28	JaApJyOc	27.9	2263
California Engy	1195p	0.4	–	–	–	–
Chase Manhattan	21⅞	0.9	$1.20	FeMyAuNv	20.10	2109
Chrysler	37⅞	1.7	60c	ApJyOcJa	10.9	2135
Citicorp	23⅞	–4.3	–	–	23.10	2141
Colgate-Palm	39⅞	4.3	$1.44	FeMyAuNv	20.10	2184
Cont'l Bank	1617p	0.3	60c	DeMrJeSe	31.5	–
Dana	38⅛	–1.3	$1.60	MrJeSeDe	27.8	2306
Data General	653p	3.2	–	–	–	–
Decora Inds ♥	100p	2.0	–	–	–	–
Dun & Brad	43⅝	–2.5	$2.44	MrJeSeDe	13.2	–
Eaton	34⅝	–2.5	$1.20	FeMyAuNv	2.2	2410
Echlin	22⅞	1.6	70c	JaApJyOc	1.10	3046
FPL	25⅛	0.8	$2.48	MrJeSeDe	24.8	–
Ford Motor	42⅞	2.4	$1.60	MrJeSeDe	27.10	2615
Gen Elect	66⅞	3.7	$2.52	JaApJyOc	21.9	2675
General Host ♥	487p	–1.1	34c	–	13.12	–
Gillette	43⅛xd	4.4	84c	MrJeSeDe	28.7	2685
Hasbro	20⅞	–	24c	FeApJyNv	1.8	–
Honeywell	21⅞	1.9	98c	MrJeSeDe	24.8	3919
Houston Inds	31½	2.0	$3.00	MrJeSeDe	10.11	–
Ingersoll-Rand	24⅞xd	–1.5	70c	MrJeSeDe	15.11	2979
Lockheed	47⅛	–1.6	$2.12	MrJeSeDe	15.2	–
Lowe's	3475p	1.0	32c	JaApJyOc	11.7	–
Malvy Technology	335p	–10.9	–	–	–	–
Merrill Lynch	61⅛	–.9	$1.60	FeMyAuNv	30.4	3351
Morgan (JP)	47⅜xd	–	$2.40	JaApJyOc	15.9	3418
Morris (Philip) ♣	37⅞	–2.6	$2.60	JaApJyOc	10.9	5161
NYNEX h	28⅛	–2.2	$2.36	FeMyAuNv	27.6	4740
Pall	14	–	32c	FeMyAuNv	24.1	–
Pennzoil	38⅞	2.4	$3.00	MrJeSeDe	28.8	3630
Quaker Oats	49⅛	2.9	$2.12	JyOcJaAp	14.9	3738
Questar	237p	–14.7	–	–	–	2418
Rockwell	22¼xd	–1.9	$1.00	MrJeSeDe	9.11	3847
Rep NY	31⅝	–2.9	$1.08	JaApJySe	10.8	3814
Sears, Roebuck	39⅞	0.2	$1.60	JaApJyOc	26.8	5191
Sthwestern Bell h	28½	2.7	$1.57	MyAuNvFe	4.7	–
Sun Co	21	–2.3	$1.80	MrJeSeDe	5.11	4135
Tenneco	33⅛	2.1	$1.60	MrJeSeDe	20.8	–
Texaco	44⅝xd	1.1	$3.20	MrJeSeDe	3.11	4300
Time Warner	30⅞	1.3	32c	MrJeSeDe	19.8	4234
Unisys ♥	394p	2.2	–	–	–	–
US West	31⅝	–.4	$2.14	FeMyAuNv	14.4	–
Varity	2619p	3.4	–	–	11'77	–
WMX Technologies	16⅝	–.8	60c	ApJyOcJa	17.9	4439
Whirlpool	4163p	–.6	$1.22	MrJeSeDe	4.3	–
Woolworth ♥	16¼	6.6	$1.16	MrJeSeDe	28.1	4540

CANADIANS

Notes	Price £	Wk% ch'nge	Div gross	Dividends paid	Last xd	City line
Amer Barrick	1884p	–4.4	12.0	Jun Dec	–	–
Bk Montreal h	12⅞	–4.7	$1.12	FeMyAuNv	2.8	1029
Bk Nova Scot	1458p	–6.1	$1.12	JaApJeOc	30.8	1017
BC Gas ♥	864p	1.3	69c	FeMyAuNv	30.12	–
BCE	23⅛	–.6	$2.64	ApJyOcJa	12.6	–
Brascan ♥	761p	2.0	$1.04	JaApJyOc	28.10	–
Breakwater ♥	7p	–22.2	10c	–	–	–
Can Imp Bk	1553p	–2.2	$1.32	JaApAuNv	29.8	1037
Can Pacific	1149p	–1.2	32c	JaApJyOc	28.12	–
4pc Deb	47½	0.5	04%	Jan Jul	22.6	–
Dorted ♥	259p	–2.5	78c	MrJeSeDe	3.6	–
Echo Bay ♥	867p	–3.2	6.8c	Jun Dec	–	1070
Gulf Can ♥	246p	[illegible]	–	–	4.3	–
Hawker Sid ♥	13⅜	6.1	$1.08	ApJyOcJa	18.11	–
Hudson's Bay ♥	2033p	1.0	80c	MrJeSeDe	2.10	–
Imperial Oil ♥	24⅛	–2.5	$1.82	MrJeSeDe	4.3	–
Inco	16⅛	1.6	40c	DeMrJeOc	4.3	–
Nova Corp Alberta	474p	1.9	24c	FeApAuNv	28.10	4215
Rio Algom ♥	998p	–.3	60c	Jun Dec	18.4	–
Royal Bk Can	1374p	–.6	$1.16	MrJeSeDe	18.7	1160
TVX Gold ♥	441p	1.1	–	–	–	–
Toronto-Dom	1048p	–1.2	76c	FeApAuNv	20.3	1207
Trans Can Pipe ♥	1004p	–1.1	64c	JaApJyOc	1.12	–

BANKS

Notes	Price	Wk% ch'nge	Div net	Div cov.	Dividends paid	Last xd	City line
ABN Amro Fl	£26⅝	4.2	Q58%	1.8	Sep May	1.9	1567
ANZ A$	210	7.1	Q20c	♦	Jan Jul	3.6	1600
Abbey National †☐	400	1.2	11.85	2.3	May Oct	16.8	5411
Allied Irish I£ ♣†☐	270	–2.2	044%	2.1	Oct May	18.8	1364
Anglo Irish I£ ☐	65	6.6	017.9%	1.2	Jan Jul	24.5	1365
Asahi Y	785	–2.5	014%	1.3	Jun Dec	10.12	3049
Banco Bil Viz Pta	£18½	–.9	027.2%	2.7	JyOcJaAp	13.7	–
Banco Sant Pta	£34¼	0.5	034.7%	2.0	ApJyOcJa	30.10	–
Bk Ireland I£ ♣u☐	278xd	–2.8	013¼%	1.5	Jul Dec	15.11	1380
Bank Leumi (UK)	350	–	17.0	–	Apr Sep	2.8	1740
Bank Scotland ♣†☐	191	1.1	4.67	1.6	Dec Jul	18.10	1742

ELECTRICALS - Cont.

Notes	Price	Wk% ch'nge	Div net	Div cov.	Dividends paid	Last xd	City line
Dale ♣	81	–5.8	5.1	0.8	Apr Oct	2.8	2301
Delta ♣N☐	477	–.6	14.0	1.6	Jun Dec	20.9	2333
Denmans ♣♣†	420	6.9	8.2	3.8	Feb Aug	5.7	2337
Dewhurst A †	82	–	1.92	2.7	Apr Oct	19.7	2350
Dowding & M N☐	82	1.6	2.5	0.9	Oct May	20.9	2380
Electrolux B SKr	£29⅛	7.1	Q25%	0.1	Jun	23.5	2440
Emess ♣☐	22	4.8	0.1	–	May	28.3	2458
Ericsson (LM) SKr	£29	–18.4	Q35%	0.8	May	11.5	2482
Fujitsu Y K	489	–3.3	Q12%	0.3	Jun Dec	27.9	1085
Hiklare ♣☐	48	20.0	0.5	–	Sep	4.10	5125
Jones Stroud N	386	–	8.6	2.8	Oct Apr	16.8	3057
Johnson El HK$ ♥	167	–	Q25c	2.12	Aug	–	–
Kenzbrey ♣	13½	–	0.16	0.3	Sep	2.8	2174
Kenwood W☐	325	0.3	7.8	2.3	Feb Aug	19.7	1082
LPA Inds ♣	92	–	3.52	1.0	Feb Aug	5.7	3220
Lec Refrig	286	–	9.0	–	May Oct	6.9	3144
Maddox ☐	1⅞	–	–	–	–	–	4678
Menvier-Swain ♣♣N	215	2.4	3.67	2.8	Apr Oct	16.8	3338
Mitsub Elect Y ♣	324	–5.5	Q20%	♦	Jun Dec	10.12	5388
Motorola $	984½	–7.9	Q44c	–	JaApJyOc	10.9	3425
NEC Y	661	–3.6	Q20%	–	Dec Jun	10.12	3467
Neotronics ♣	130	–.8	2.8	2.8	Mar Aug	19.7	3472
Nokia Pf FM	1687	–	Q14%	–	Apr Oct	–	3024
Oxford Inst †☐	291	–1.4	4.8	3.2	Oct Mar	16.8	3575
Philips Fl	£13¾	0.9	–	–	–	4'90	3853
Philips Fin 5¼pc	595	–	Q5¼%	–	Jun Dec	1.11	3852
Pifco ♣N	273	–.7	4.13	2.9	Apr Oct	16.8	3661
A hN	263	–.8	4.13	2.9	Apr Oct	16.8	3660
Scholes ♣N	186	–4.1	6.0	1.5	May Nov	20.9	3837
Sony Y ♣	£30¼	–1.8	Q100%	6.9	Dec Jun	13.12	4058
Silverstone I£ †☐	40	–	Q53.2%	–	Jan	30.11	1476
TDK Y	£24	–1.8	Q160%	2.8	Jun Dec	11.12	4178
Thorpe (FW) N	126	–4.6	2.67	3.2	Apr Nov	4.10	4217
Toshiba Y	418	–4.6	Q20%	1.1	Jun Dec	10.12	4258
Unidare I£ g	385	–	Q83.7%	2.2	Oct May	4.10	1480
Volex ♣†	419	–4.8	18.12	1.2	Feb Oct	16.8	4408
Wdo Select	18	–5.0	–	–	–	12'90	4481
Wholesale Ftg ♣	272	–	11.7	0.8	Apr Oct	6.9	4487

ELECTRICITY

Notes	Price	Wk% ch'nge	Div net	Div cov.	Dividends paid	Last xd	City line
China Light HK$ ♥	475	–	Q108c	–	JaApJeNo	2.8	2130
Eastern ♣N☐	594	1.2	19.2	2.6	Mar Oct	19.7	4922
East Midlands ♣N☐	568	2.2	18.5	2.7	Mar Oct	19.7	4924
London N☐	661	4.5	19.5	2.3	Feb Aug	19.7	4927
Manweb N☐	653	2.2	21.9	3.3	Mar Sep	19.7	4935
Midlands ♣N☐	618	2.5	20.9	2.8	Apr Oct	19.7	4949
National Power ♣†N☐	413xd	4.3	11.05	3.8	Jan Aug	15.11	4951
Northern ♣N☐	633	2.4	21.46	3.2	Mar Oct	19.7	4958
Northern Ireland W☐	199	4.2	10.02	2.3	Apr Oct		4969
Norweb ♣☐	654	4.1	20.9	3.2	Mar Oct	2.8	4966
PowerGen ♣N☐	470	1.7	10.5	3.6	Nov Jul	20.9	4981
Scott Hydro ♣N☐	402	4.4	11.38	2.4	Mar Oct	16.8	3118

HOTELS & LEISURE - Cont.

Notes	Price	Wk% ch'nge	Div net	Div cov.	Dividends paid	Last xd	City line
Owners Abrd †☐	81	3.8	3.82	3.4	Oct Apr	20.9	3574
9¾p Cv Pf	102½	–.3	9.75	–	Apr Oct	18.8	1537
Parkdean Leis W☐	135	–	4.36	2.0	–	–	3327
Pelican ♣☐	71	–1.4	1.1	3.4	Sep	2.8	4920
Prism Leis ♣☐	170	–	3.27	3.2	Mar Sep	19.7	3724
Quadrant ☐	40	2.6	–	–	–	6'92	3737
Queens Moat N	47½	–	1.4	–	Oct	8'92	3745
7pc Cv Pf	1046	–	7%	x	Jan Jul	30.11	3744
7½pc Cv Pf	858	–	7.5	–	Apr Oct	1.3	3744
Ramsden's (H) ♣	196	0.5	4.5	1.6	Apr Oct	2.8	2011
Rank Org ♣☐	655	4.0	31.8	1.1	Sep Apr	19.7	3771
8¼p Cv Pf	144½	4.0	8¼%	–	Feb Jul	21.6	2321
Regal Hotel ♣☐	1¼	–	–	–	–	–	1882
Resort Hotels	458	–	3.45	1.4	Mar Oct	1.2	4980
Ryan Hotels I£ ☐	18½	–	Q21.3%	–	Jun Aug	18.10	1474
Savoy A	795	1.3	7.0	–	May	19.4	3928
Stakis ♣☐	59	7.3	0.45	0.1	Apr Sep	2.8	4052
Stanley Leis ☐	249	1.2	4.32	2.9	Feb Sep	19.7	4097
Sunleigh ♣☐	8	–	–	–	–	–	4141
Surrey ♣☐	2	33.3	–	–	–	9'91	2208
Tanjong	345¾	–	Q6c	11.6	Dec Aug	5.7	2208
Thorn EMI N☐	947	1.6	32.0	1.5	Mar Oct	2.8	4213
Ticketing Grp ♣☐	2½	–	–	–	–	1'92	3932
Tomorrows Leis ♣	16	–	–	–	–	7'92	4248
Tottenham ♣N	107	–.9	2.8	3.8	Feb	2.11	4280
Vardon †☐	104	–4.6	0.6	8.3	Nov May	20.9	1716
Verity ☐	9	–	–	–	–	–	1894
Wembley ♣☐	17	–2.9	–	–	–	6.10	4784
Whitegate ♣☐	34	–2.9	–	–	–	–	1108
Zetters	118	–	3.0	1.1	Feb Oct	16.8	4570

INSURANCE BROKERS

Notes	Price	Wk% ch'nge	Div net	Div cov.	Dividends paid	Last xd	City line
Alex & Alex $	£12¾	–3.8	Q$1.00	–	DeMrJeSe	27.8	1581
11pc Cv $	598½	14.2	Q11%	–	Apr Oct	17.10	
Amber (A.J) ♣†☐	60	–	2.7	0.5	Feb Aug	5.7	4825
Bradstock ♣†☐	136	–.7	5.2	1.5	Apr Sep	16.8	1931
Heath (CE) ♣N☐	388	–.5	18.0	–	Jan Jul	21.6	2880
Hogg ☐	157xd	–1.3	8.15	1.3	Jan Jul	15.11	2897
JIB ♣g☐	174	–.6	7.5	1.2	Nov May	20.9	1292
Lloyd Thompsn ♣☐	280	–1.8	8.7	2.4	Nov May	4.10	3130
Lowndes Lam ♣☐	414	–2.6	13.5	2.0	Feb Oct	16.8	2782
Marsh McLen $	£54½	–1.8	Q$2.70	–	FeMyAuNv	6.10	3298
Ordel ♣N	127	0.8	5.0	–	Jul Jan	24.5	1582

INVESTMENT TRUSTS - Cont.

Notes	Price	Wk% ch'nge	Div net	Dividends paid	Mkt capEm	Last xd	City line
Fleming Japan ♣☐	218	–1.8	0.45	Dec	252.2	1.11	2597
Warrants ☐	78½	–1.3	–	–	18.1	–	–
Fleming Merc ♣☐	287	0.2	6.7	MyAuNvFe	414.7	6.9	2598
Fleming O'seas ♣☐	289	2.4	4.2	Mar Oct	367.1	20.9	2599
Foreign & Col ♣N☐	286	1.0	3.45	Oct Apr	1,382	18.8	2617
For & Col Emrg Mktr ☐	108	3.8	0.25	Jan	109.8	11'92	2087
6½pc Cv Ln 2010	£158	2.3	06½%	Mar Sep	47.4	1.11	2080
For & Col Ent ♣☐	96	–	0.44	Apr	62.0	1.3	2524
For & Col Euro ♣☐	224	1.4	1.23	Dec	132.2	29.3	2528
For & Col German ♣☐	123	0.8	0.5	Jun	49.3	24.5	4739
Warrants	37	–2.6	–	–	2.91	–	1179
For & Col High ♣☐	73	–1.4	2.82	Apr Oct	21.9	20.9	2831
For & Col Pac ♣N☐	299	–2.6	2.1	Nov May	318.4	4.10	2529
Warrants	225	–2.1	–	–	20.8	–	2530
For & Col PEP ☐	119xd	–1.2	3.4	Jun Jan	48.6	15.11	1884
For & Col Small ♣☐	162½	0.6	1.84	Feb Jul	147.8	21.6	4731
For & Col SUIT Sp Inc	65	–	–	–	34.0	–	–
Capital	46	5.7	–	–	23.0	–	–
Units	171	–	–	–	56.5	–	–
For & Col US Smlr ☐	106	–2.7	–	–	54.0	–	1814
Warrants ☐	57	–1.7	–	–	5.70	–	–
French Prop ♣	80	–	2.3	May	20.6	15.3	2195
Warrants	21	–	–	–	1.28	–	2160
Fulcrum Inc ♣N	48	–	8.37	MrJeSeDe	5.58	18.8	2842
Cap ☐	22	7.3	–	–	3.63	–	2845
Zero Div Pf	137	0.7	–	–	11.6	–	–
GT Japan ♣N☐	234	–2.5	1.35	Nov Mar	146.6	4.10	2650
Gartmore Amer ♣☐	44xd	4.8	4.8	JaApJyOc	16.3	15.11	2050
Zero Pf	90⅛	1.7	–	–	33.5	–	5111
Gartmore Em Pac ♣☐	132	0.8	0.15	Apr	33.4	29.3	3021
Warrants ☐	71	–2.7	–	–	9.04	–	3043
Gartmore Euro ♣N☐	191	–.8	0.8	Jan	223	30.11	2808
Warrants	245	–	–	–	1.74	–	1777
Gartmore Scot Inc ♣N☐	78	2.6	11.8	FeMyAuNv	18.4	18.10	3342
Cap	55	3.7	–	–	10.0	–	2344
Units	5825	–	788.6	Feb May	–	18.10	3347
Zero Div Prf	182½	–	–	–	27.1	–	3344
Gartmore Value ♣♣☐	37	–	3.81	SeDeMrJn	18.4	1.11	4888
Zero Div Prf	92⅛	0.5	–	–	66.7	–	4889
Geared Income M	196	–	7.56	FeMyAuNv	28.8	1.11	2709
Gen Cons Inc H☐	168½xd	–.5	8.46	Ap Oc De	38.3	15.11	4705

to proceed.
In the Ukraine, unable and

Electricité de France, told the

LONDON SHARE SERVICE

INVESTMENT TRUSTS - Cont.

	Notes	Price	W'k % ch'nge	Div net	Dividends paid	Mkt cap£m	Last xd	City line
Scot Asian Pig	♣	277	-1.4	–	–	50.2	–	4304
Warrants		145	-3.2	–	–	5.21	–	1454
Scot East	♣†□	79½	1.3	1.64	Oct May	553.7	6.9	3948
Scottish Inv	♣†□	222	—	4.6	Feb Jul	565.0	7.6	3953
Warrants	□	74	-1.3	–	–	27.8	–	5003
Scot Mortgage	♣□	223	0.7	4.9	Jul Dec	804.4	1.11	5004
Scot National Inc	♣□	97½xd	2.1	7.75	ApJyOcJa	156.7	15.11	3681
Cap	□	32	6.7					
Stepped Pf		157¼	—	6.00	Sep Mar	39.4	–	3080
Zero Div Pf		228½	0.2	–	–	58.2	16.8	3082
Warrants		4½	—	–	–	145.8	–	3084
Scot Value	♣†□	101	1.5	1.8	Jan Jul	0.57	–	3093
Sec Alliance	♣N	1585	0.3	30.0	Apr Oct	48.4	24.5	2706
Second Consid	□	185	—	–	–	394.3	20.9	2674
Second HGSC	□	105½	—	–	–	58.8	–	1970
Second Market	♣	405	0.2	2.0	May	28.5	–	2708
Sec Tst Scot	♣□	90½	1.7	3.25	Jul Dec	41.7	19.4	3076
Select Assets	□	158	—	1.2	Apr	280.9	1.11	3077
Eq Ind Sarl		191	-.7	4.25	JaApJlOc	46.7	1.3	3088
Eq Ind Sed		191	-.7	4.25	JaApJlOc	28.8	11.10	4803
SHIRESCOT	♣u	146xd	—	5.25	DeMrJeSe	32.1	11.10	5086
Shires	♣N	281	0.7	16.8	ApJyOcJa	17.8	15.11	1235
Siem Select	♣	206	0.5	1.9	Sep	70.3	20.9	4014
Smaller Cos	□	134	1.5	2.6	Apr Oct	37.1	2.8	1387
Warrants		68	—			42.5	7.8	3998
Sphere Inc	□	33½	—	3.1	MyAuNvFe	1.67	–	3098
Zero Div Pf		92¼	1.1	–	–	48.6	1.11	4276
Units		905	—	–	–	90.4	–	5227
Sumit		130	21.5	1.4	May Oct	–	1.11	2535
TR City of Lon	N□	161½	1.0	4.8	FeMyAuNv	6.31	20.9	4132
TR Euro Growth	♣NL□	139	1.8	1.7	Oct	301.8	18.10	4271
Pig Sub		78	—	1.35	Oct	48.8	20.9	4888
TR Far East Inc	♣N□	167xd	-.3	5.8	ApJyOcJa	2.83	20.8	–
Warrants		63	-1.8			77.7	15.11	4286
TR High Inc		136	-.7	8.8	ApJyOcJa	5.82	–	–
Sub		41	-2.4	1.5	Jul	31.4	4.10	2887
TR Pacific	♣□	179	-.6	0.35	Apr	1.18	21.6	2938
TR Prop	♣□	35	1.4	0.9	Jan Jul	119.8	15.3	4581
TR Smaller	♣N□	187	—	3.6	Mar Sep	102.4	7.8	4282
TR Technology	♣□	104	3.0	1.75	Aug	333.2	2.8	4285
Units		264xd	-1.2	38.15	Dec Jun	48.8	19.7	4288
Stepped Pf		141½xd	-1.7	6.88	Dec Jun	–	15.11	1138
Zero Pf		228½	0.7			62.3	15.11	4860
Temple Bar	†♣□	351	2.0	13.25	Sep Mar	172.1	–	4860
Templeton Em	□	346	-.5	2.6	Sep	201.1	16.8	4191
Warrants		280	0.4			346.6	2.8	4880
Thompson Clive		174	-.6	3.8	Jan	21.9	–	–
Thornton Asian	♣□	160½	—	8.6	Jan	22.2	19.4	–
Warrants		29	7.4			108.5	10.5	5062
Thornton Pan Euro		38	—	1.8	May	5.80	–	5194
Warrants		1	—			5.40	20.3	2723
Throg Dual Inc	N	77	-1.3	7.1	NoApJyJa	0.04	–	–
Cap		408	0.6			88.8	4.10	4219
Throg 1000 Scale Cos	□	116	—	3.8	Oct	17.4	–	4218
Warrants		25	-3.8			38.1	6.9	5086
Throgmorton Tst	♣□	75	—	2.2	Aug Apr	1.80	–	1232
Tor Inc	N	308	—	40.0	FeAuMyNv	227.9	2.8	4227
Cap	N	940	1.6	4.0	Nov	14.8	4.10	4257
Trust of Prop		80	—	1.5	Apr	28.8	4.10	4288
Turkey Trust	♣u	233	2.4	1.0	Feb	6.48	1.3	4306
Warrants		133	6.4			42.8	4.1	2282
USDC	♣□	237	-.4	4.5	Apr Oct	4.77	–	2176
US Smaller Cos		157	0.7	0.3	Oct	88.7	20.9	4365
Warrants		74	-1.3			60.1	6.9	4862
Value & Inc	†□	114xd	2.2	4.8	Jan Jul	7.38	22.12	4870
Ventori		28½	—			48.8	15.11	4366
Inc	†	43	—	3.55	Jan Nov	2.48	–	–
Cap Indexed		248	—			2.80	1.11	–
Warrants & Value	□	32¾	1.6			4.80	–	–
Welsh Indl		198	—	4.0	Dec	38.8	–	1932
Whitbread Inv		781	4.2	18.5	Jan Jul	2.48	4.10	4488
Witan	♣□	217	0.9	3.8	Mar Sep	468.1	7.8	4493

MERCHANT BANKS

	Notes	Price	W'k% ch'nge	Div net	Div cov.	Dividends paid	Last xd	City line
Bedlinge 8pc Cm 2nd Pf		102½xd	-6.0	8%	–	June Dec	15.11	–
8¼pc Non-Cum Pf		122½xd	-6.4	8¼%	–	Jan Jul	15.11	1421
Close Bros	♣N	408	-.4	11.0	2.4	Apr Oct	4.10	2168
Hambros	♣†□	357xd	1.0	14.8	1.5	Dec Aug	15.11	2812
7½pc Cv Pf		148	-.7	7½%	–	Apr Oct	6.9	4388
Joseph (L)	♣	418	—	18.6	–	Jan Sep	2.8	3080
Kleinwort Benson	♣†□	508	-.7	18.7	1.6	May Oct	16.8	3102
Rea Bros	♣†□	30	-3.8	0.85	1.7	May Oct	6.9	3785
Schroders	♣†□	1210	-1.6	12.0	4.5	Oct Apr	20.9	3939
N/V	♣	1100	-.7	12.0	4.5	Apr Oct	20.9	3941
Singer & Fried	♣†□	80	—	3.0	–	Nov Jan	20.9	4828
Warburg (SG)	♣†□	830xd	1.5	19.75	3.4	Jul Dec	15.11	4425
Wintrust	♣	320	—	8.5	1.2	Oct Mar	18.8	4324

METALS & METAL FORMING

	Notes	Price	W'k% ch'nge	Div net	Div cov.	Dividends paid	Last xd	City line
ABW	♣□	146	0.7	8.0	–	May Nov	20.9	5004
Apollo Metals	†	84	-8.7	3.5	1.8	Jan Jul	7.8	1490
Ash & Lacy	♣	183	2.0	6.4	1.5	Nov Apr	18.10	1083
Billeon (J)	†	258	-1.9	5.2	4.0	Oct May	20.9	1829
Brit Steel	†N□	118	-4.4	1.8	–	Aug Jan	5.7	3317
CI	†□	18	-21.8	0.52	1.0	Jul Jan	24.5	2138
Castings		188	-2.5	4.36	3.3	Jan Aug	7.6	2078
Chamber & Hill	†	188xd	-4.1	6.6	2.6	Jul Dec	15.11	2180
Cohen (A)	‡	403	—	3.4	–	Feb Aug	21.8	2181
Cook (Wm)	†□	348xd	-3.0	8.6	3.3	Jan Oct	15.11	2232
Cooper (F)	□	77	-2.5	2.2	♦	Jul Feb	1.11	2235
Ferrari		72	4.3	2.8	♦	Jan Jul	24.5	4081
Firth (GM)	□	14	—	–	–	–	7.91	2578
GBE Intl		92	—	0.5	–	Jan	–	2370
Garton	†	94	—	4.13	–	Jul Dec	18.10	2488
Glynwed Intl	□	387	1.3	11.66	0.9	Jul Dec	1.11	2711
Goodwin		83	—	0.88	♦	Nov	4.10	2725
Jobson & Firth	□	38½	1.3	3.0	1.1	Feb Jul	21.8	3045
Johnson Matthey	♣N□	498	-3.4	10.3	2.0	Feb Jul	21.8	3852
Kobe Steel Y		185	-2.9	0125	♦	Sep Dec	–	3854
Lloread	♣†	109	-.9	3.82	1.7	Oct May	4.10	3187
Manganese Bro	♣	106	-2.8	2.6	♦	Dec Apr	1.11	3280
Meteor	♣	90	—	–	–	–	4.92	3382
Morris Ashby	♣	172	-.6	8.4	2.4	Mar Oct	19.7	4881
Radiant Metal		90	5.0	–	–	–	6.90	3764
Richards Grp	‡	74	—	3.73	–	Jan Nov	4.10	3821
Simmental		244	-.4	010c	1.5	Mar May	–	–
Sycamore	□	3	—	–	–	–	–	4132
Thyssen DM		1000	0.5	DM1.80	–	Mar	28.8	4228
Tinsley (Eliza)	♣u	98	-1.0	3.46	1.2	Feb Oct	2.8	4236
Triplex Lloyd	♣□	144	-10.6	7.9	1.2	Feb Oct	2.8	4312
Utd Sedimentary	♣N	18	-4.8	–	–	–	7.91	4866

MISCELLANEOUS

INVESTMENT COMPANIES

MEDIA

MOTORS

OIL & GAS

OIL & GAS - Cont.

OTHER FINANCIAL

OTHER INDUSTRIALS

PACKAGING, PAPER & PRINTING

PACKAGING, PAPER & PRINTING - Cont.

PROPERTY

STORES

STORES - Cont.

TELEPHONE NETWORKS

TEXTILES

TRANSPORT

WATER

SOUTH AFRICANS

PLANTATIONS

MINES

MINES - Cont.

GUIDE TO LONDON SHARE SERVICE

Company classifications are based on those used for the FT-Actuaries Indices and FT-Actuaries World Indices.

Closing mid-prices are shown. Prices and net dividends are in pence unless otherwise indicated.

Where stocks are denominated in currencies other than sterling, this is indicated after the name.

Dividend covers are based on "maximum" distribution; this compares gross dividend costs to profit after taxation, excluding exceptional profits/losses but including estimated extent of offsettable ACT. Market Capitalisations are published on Tuesdays-Saturdays except for Investment Trusts and British Funds.

- □ Indicates the most actively traded stocks. This includes UK stocks where transactions and prices are published continuously through the Stock Exchange Automated Quotation system (SEAQ)
- ● "Tap Stock"
- † Interim since increased or resumed
- ‡ Interim since reduced, passed or deferred
- ‡‡ Tax-free to non-residents on application
- ♦ Figures or report awaited
- ♥ Not officially UK listed; dealings permitted under rule 535(4)(a)
- ♣ Free annual/interim report available, see details below.
- ☆ USM; not listed on Stock Exchange and company not subjected to same degree of regulation as listed securities.
- †† Not officially UK listed; dealings permitted under Rule 535(2)
- # Price at time of suspension
- ¶ Indicated dividend after pending scrip and/or rights issue; cover relates to previous dividend or forecast.
- ♦ Merger bid or reorganisation in progress
- § Forecast dividend; cover based on earnings updated by latest interim statement.
- ♦ Unregulated collective investment scheme.

a Annualised dividend. b Figures based on prospectus or other official estimates. c Cents. f Flat yield. g Assumed dividend. h Assumed dividend after scrip issue. m Interim higher than previous total. n Rights issue pending. q Earnings based on preliminary figures. s Dividend excludes a special payment. t Indicated dividend: cover relates to previous dividend. u Forecast, or estimated annualised dividend rate, cover based on previous year's earnings. v Not subject to ACT. z Dividend includes a special payment: Cover does not apply to special payment. E Auction basis. F Dividend based on prospectus or other official estimates for 1994-95. G Assumed dividend after pending scrip and/or rights issue. H Dividend based on prospectus or other official estimates for 1993. K Dividend based on prospectus or other official estimates for 1992-93. L Estimated annualised dividend, cover based on latest annual earnings. M Dividend based on prospectus or other official estimates for 1993-94. N Dividend based on prospectus or other official estimates for 1992. P Figures based on prospectus or other official estimates for 1994. Q Gross. R Forecast annualised dividend, cover based on prospectus or other official estimates. T Figures assumed. W Pro forma figures. Z Dividend total to date.

Abbreviations: xd ex dividend; xc ex scrip issue; xr ex rights; xa ex all; xi ex capital distribution.

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4 pm close November 19

NEW YORK STOCK EXCHANGE COMPOSITE PRICES

1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
14⅝	11½	AAR	0.48	3.6	66	288	13½	13⅛	13¼	-¼
29⅞	13½	A L Labs A	0.18	1.3	32	691	14	13⅞	14	+⅛
67¼	54⅝	ALLP	1.60	2.7	20	2536	59	58½	58½	-½
72¾	55½	AMR			53	4672	68⅞	68⅛	68¼	-¾
3⅞	1¾	ARX			13	264	3½	3¼	3¼	-⅛
51½	29⅞	ASA x	2.00	4.1	32	508	49¼	48¾	49⅛	+2⅞
30¾	22⅝	AbbtL	0.68	2.3	17	11079	29⅛	28½	29	+⅛
12⅝	9¼	Abitibi Pr	0.50	4.7	6	28	10¾	10⅝	10⅝	-⅛
15⅝	8¼	Acptncpin			20	21	12½	12⅜	12½	+⅛
36	25½	ACE Ltd	0.92	3.1	5	497	30¼	29¾	30	
12	10¾	ACM Gvt In	0.96	8.1		326	u12	11⅞	11⅞	
10⅛	9⅛	ACM GvOpp	0.80	8.3		53	9⅞	9½	9⅝	+⅛
10⅛	8¾	ACM Gvt Sp	0.80	8.1		229	10	9⅞	9⅞	
11⅝	10½	ACM Gvt Se	0.96	8.3		453	u11⅝	11½	11⅝	
11⅞	9⅝	ACM Mun	1.08	9.1		147	u11⅞	11¾	11⅞	+⅛
9⅞	8⅝	ACM Managd	0.72	7.9		160	9⅛	9⅛	9⅛	-⅛
12⅞	7¾	AcmeClv	0.44	4.5	13	53	9⅞	9¾	9⅞	+⅛
11⅞	6⅞	Acme Elect			38	49	8¾	8½	8⅝	
27⅝	18⅜	Acordia	0.44	2.1	12	121	21⅜	21⅛	21⅛	-¼
16	10⅜	Acuson			64	250	14⅜	14⅛	14¼	+⅛
21¾	18	Adams Expr	0.48	2.6	0	203	18⅛	d17⅞	18⅛	+⅛
68¼	45½	Ad Micro	3.00	6.2		315	49⅛	48¼	48⅝	+⅜
32¾	17⅝	AdvMic	3.00	16.2	7	14479	19⅛	18⅛	18½	+¼
8⅛	5½	Advest Grp	0.16	2.2	12	41	7⅛	7	7⅛	+⅛
24⅞	14¼	Advo Inc	0.08	0.5	75	231	15⅞	15¾	15⅞	+⅛
51⅞	41⅛	Aegon ADR	1.23	2.5	10	18	50	49¾	50	+¼
66¼	43⅜	AetnaL	2.76	4.7	25	1797	59¼	58½	59⅛	+¼
34	26½	Aflac	0.40	1.5	12	5289	26⅞	d25¾	26¼	-⅝
22⅛	16¾	Ahmnso	0.88	5.0	7	957	17⅞	17⅝	17⅝	-¼
7¾	3⅝	Aileen Inc			7	85	5⅛	5	5¼	+⅛
48½	37½	AirPrC	0.92	2.1	24	900	43½	43	43⅜	+⅜
33	18⅛	Airbns Frt	0.30	0.9	26	872	32⅞	32¼	32⅞	-¼
50⅞	18¼	Airgas Inc			43	341	45	43⅛	43¾	-1⅛
15¾	10½	Aileasco	1.72	10.8	12	14	u16	15⅞	16	+¼
106½	101	AlaPw8.16	8.16	7.8		2	104¼	104¼	104¼	
107	102½	Alab 9.28C	7.28	7.1		z20	102⅞	102⅞	102⅞	
18	12¼	Alaska Air	0.20	1.2	3	77	16⅜	16⅛	16¼	-⅛
19¼	14¼	Albany Int	0.35	1.9	46	698	18¾	18½	18⅝	-⅛
28¼	20⅛	AlbCuB	0.26	1.3	14	240	20⅝	d20⅛	20½	
25¼	17	AlCulvr A	0.26	1.4	13	125	19⅛	18	18⅛	-⅛
29¾	23⅜	Albtsn	0.38	1.5	19	6186	24¾	24	24⅝	+⅝
21⅝	16⅞	AlcnAl x	0.30	1.4	31	4315	21⅛	20⅝	21	+¼
50⅝	35¼	AlcoSt	0.96	2.1	168	670	47⅝	46⅝	46¾	-⅝
30½	19⅝	AlexBrown	0.60	2.5	5	1390	25	24¼	24⅜	-¾
23⅞	18¾	AlexAl	1.00	5.4	33	657	19⅜	d18¼	18⅜	-⅜
24¼	17	Allegh Lud	0.48	2.3	21	990	21⅝	21	21¼	-¼
28½	23½	AllegP	3.24	12.6	13	387	25⅞	25½	25¾	-¼
46	29	Allen Gp	1.75	4.0		11	43½	43½	43½	
29¼	13	Allen Cox	0.24	1.2	19	341	21½	20½	20⅝	-⅝

- B -

1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
37⅞	32	BCE	2.64	7.6	39	1121	34¾	34½	34⅝	-⅛
8⅛	5⅛	BET ADR	0.19	2.5	31	75	7⅝	7½	7½	+⅛
8½	3⅞	Balmco	0.20	5.2	6	193	4	3⅞	3⅞	
19¾	16¼	Baker Fent	0.40	2.1		437	19	18¾	18⅞	
29⅛	18½	BakerH	0.46	2.0	73	1941	23⅛	22⅞	22⅞	
29½	19⅝	Baldor Elc	0.40	1.4	23	36	28⅝	28⅛	28⅛	+⅛
37¼	25⅛	BallCp	1.24	4.6	22	3062	27¼	26¾	27¼	+⅛
12¾	6	Bally			32	1426	9¼	8⅞	9⅛	
27½	22⅞	BaltGE	1.48	6.0	12	2286	24⅞	24⅞	24⅞	-⅛
13⅝	6⅞	Balt Bnkcp	0.60	4.5	20	578	13½	13¼	13¼	-⅛
49¼	35½	BncOne	1.24	3.4	13	8443	37	35⅞	37	+⅞
23½	11⅝	BancFlrda			8	18	20⅞	20⅞	20⅞	
27¾	20⅞	BancoBil V	1.17	4.9	8	396	24⅛	23¾	23⅞	-⅛
15½	12⅜	BancoCentH	0.86	6.9	6	116	13⅛	12½	12½	-⅛
53⅞	40	BcrpHawaii	1.38	3.3	10	1576	42⅝	42¼	42⅜	-½
2⅞	1⅛	BancTexas			34	175	1½	1⅜	1⅜	
60¼	44¾	Bandag	0.65	1.2	19	84	56⅞	55⅝	55⅞	+½
56½	40⅜	BankAm	1.40	3.4	8	7210	41⅞	41⅛	41½	-½
91	71	Bank Bost	5.96	6.4		3	87¼	87¼	87½	+¼
29⅛	20¼	BkBstn	0.40	1.8	10	2836	21⅝	20⅞	21⅝	+¼
49⅞	40⅛	Bk Bostn P	3.04	6.3		6	48⅜	48¼	48⅜	-¼
62½	50⅜	BankNY	1.80	3.3	10	4166	54⅝	53⅞	54	-⅜
60	43½	BarnAm A	3.25	6.7		30	49	49	48⅝	-⅛
82	76	BankAm B	6.00	7.0		24	87	86¼	86¼	-1
83½	65¾	BnkTst	3.12	4.2	6	2187	75¼	74¼	74¾	-¼
35	22½	Bclays	0.97	2.9	98	15	33½	33½	33½	-¼
35¼	20¼	Bard (C R)	0.56	2.3	29	1639	24⅝	23¾	24	-½
34½	29⅞	Barnes Grp	1.40	4.3	39	14	32⅝	32	32⅞	+⅝
50⅝	37⅞	BarnBk	1.44	3.8	12	2717	38⅞	37⅝	38⅛	+½
8¼	5⅛	Baroid	0.20	2.5	25	2297	8⅛	8	8⅛	
10⅞	4⅞	BattlMt	0.05	0.5	139	4609	9⅞	9⅝	9¾	
57½	43	Bausch	0.88	1.7	16	1812	52¾	51⅝	52½	+⅝
32¾	20	Baxter	1.00	4.2	13	5981	23⅞	23½	23⅞	
32	24⅞	Bay St Gas	1.42	5.0	16	32	28⅝	28⅜	28⅝	+⅛
25	22	Bd Tr 1838	1.72	7.5		6	22⅞	22⅞	22⅞	
26	15	Bear Strns	0.60	2.7	7	2324	21⅞	20¾	21⅞	+⅛
50¼	45½	BearStPfA	2.75	5.8		z100	49⅛	49⅛	49⅛	
31	30½	Bearings	0.64	2.3	21	38	28⅜	28⅛	28⅛	
28¼	19¾	Beckman In	0.36	1.4	16	864	27	25⅞	26⅝	+⅝
40¾	32⅝	BectnD	0.66	1.8	13	1658	36⅜	35¾	36¼	-⅛
35	26⅜	Belding Hy	0.64	2.1	34	32	30⅛	30⅛	30¼	

1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
69	49⅝	BellAtl	2.68	4.5	17	7397	59½	58⅞	59⅜	-⅜
18¾	8⅞	Bell In	0.40	2.3	19	54	17⅛	16¾	17⅛	+⅜
63¾	50⅝	BellSth	2.76	5.0	18	4425	55⅛	54⅝	54⅞	-⅛
49⅝	38¾	Belo A	0.56	1.2	21	93	45⅞	45½	45¾	+⅛
27⅜	19⅞	Bemis	0.50	2.2	26	438	22¾	22¼	22½	-¼
68	54	Benef 4 3P	4.30	6.5		25	66¼	66¼	66¼	
81	62½	Benef	2.80	3.7	12	3269	76	74¾	75	-1
32½	18¼	Benetton A	0.42	1.6	15	2	26¼	25¾	25¾	-1
1⅜	⅝	Benguet B	0.04	4.3	7	55	15/16	15/16	15/16	
14¼	9½	Berry Petr	0.60	6.8	63	90	8⅞	8⅞	8⅞	+⅛
62⅞	21½	Best Buy			33	1690	45¼	44½	45	-1¼
29⅞	25¼	Beth St 2	2.50	9.6		92	26½	26¼	26¼	-⅛
57⅜	50¼	Bethlhm Pf	5.00	9.8		20	51¼	50⅞	50⅞	-¼
20⅞	12⅞	BethSt	0.40	2.3	15	2257	17⅝	17½	17½	+⅛
62⅞	40	Betz L	1.40	3.4	16	1061	41⅜	41⅛	41⅜	+¼
14¾	9¼	BevEnt			107	3052	12⅛	11⅞	11⅞	+⅛
37⅝	15¾	Biocraft	0.10	0.3	57	797	31¼	29⅜	29½	-1¼
27¼	20¾	Birmngm S	0.40	1.7	50	602	23⅜	22¾	23	-½
22¼	18⅝	BlDeck	0.40	1.9	28	1085	20¾	20⅝	20⅝	-⅛
28¼	21⅞	Black H PL	1.28	5.4	14	128	23¾	23	23¾	+½
11	10⅛	BlckrckAdv x	0.82	8.0		71	10½	10⅜	10⅜	
9½	8¼	BlckrckInc x	0.85	10.1		1224	8½	d8¼	8⅜	
10½	10	BlckrckTgt x	0.80	7.9		402	10¼	10⅛	10⅛	-¼
55	31⅞	Block	1.12	2.9	23	2480	39⅛	38⅜	38⅞	+¼
32⅜	15⅞	Blockb	0.10	0.3	31	6433	31¼	30⅞	31	-⅜
8⅝	7⅝	Blue Chip	0.80	10.2		79	8	8	7⅞	-⅛
18⅞	9¼	BMC Ind			11	189	18⅛	17⅝	17⅞	-⅛
41	33⅜	Boeing	1.00	2.6	10	10450	39⅛	38⅜	38½	-⅝
27⅛	19½	BoiseC	0.60	2.7	7	638	23⅜	22	22⅜	+⅛
14¾	4¼	Bolt B & N	0.06	0.5	5	189	11⅞	11½	11¾	-⅛
17½	8¼	Bordn Chm	0.72	7.1	72	633	10⅛	9⅞	10⅛	+⅛
24⅛	12⅝	Bordn Ch U	1.24	7.8	15	893	16¼	15⅝	16	
29⅛	14⅜	Borden	0.60	4.0	24	5843	15¼	14⅞	15⅛	+⅛
21⅝	16⅜	Bostn Celt	1.25	5.9	24	37	21¼	21	21¼	+¼
107	100⅝	Bostn Ed 8	8.88	8.7		z100	101	101	102	
24⅝	18	Bowatr	0.60	3.0	7	59	20	19⅞	19⅞	-⅛
20⅞	13⅜	Brazil Fnd	0.27	1.4		415	19½	19¼	19⅜	-⅛
39⅞	32⅛	BRE Prop	2.40	7.0	11	305	34⅞	34⅛	34½	-⅜
89½	46¾	BrigSt	1.76	2.1	15	151	82½	81⅞	82	-½
45	27.30	Brinkerint			39	749	43⅞	43⅛	43½	-¼
67¼	50⅞	BrMySq	2.88	4.8	18	8394	61	60¼	60⅝	-⅜
60⅝	40	Br Air	3.00	5.0	16	387	u60⅝	60	60½	
53¾	40⅜	Brit Gas	2.79	5.8	11	984	48¼	48	48⅛	-⅛
64⅝	42⅛	BP	1.89	3.1	18	5199	60⅝	59¾	60⅛	-⅝
32	26⅛	BP Prudhoe	2.38	9.0	8	291	26½	d26⅛	26⅜	
19¾	8⅜	BSteel	0.37	2.1	17	102	17½	17⅜	17⅜	-¼
72	57½	BT	3.57	5.1	18	358	70	69⅝	69¾	-⅜
28	21½	BkyynU	1.32	5.1	14	120	25⅞	25⅝	25⅞	+⅛
35¾	30⅜	BrwnGp	1.60	4.9	19	109	33	32¾	32⅞	

1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
67½	53	CummEn3.6	3.60	5.5		243	64	63½	63½	-½
50¾	37½	CummEn	0.20	0.4	11	1187	48¾	48⅝	48⅝	-½
13⅞	12½	Current In	0.96	7.2	15	12	13⅛	13⅛	13⅛	
40¼	31⅛	CrssWr	1.00	3.1	9	25	32½	32	32½	+½
11½	7⅜	CV Reit	1.00	10.5	9	75	9⅝	9⅜	9½	-⅛
11⅞	6⅛	Cycare Sys			36	198	9	8¾	8⅞	+⅛
16¾	8⅝	CyprSm			38	506	12¾	12⅝	12¾	+⅛
24¾	22¾	CypAmv				10100	23	d22½	23	-⅜

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1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
21⅞	13½	DPL Holdg	1.12	5.9	13	1106	19⅜	19	19⅛	-⅛
19	12	Dallas Sem			16	599	14¾	14⅜	14⅝	-⅜
58⅞	44	Dana	1.60	2.9	22	825	56½	55	55¾	-⅝
38⅛	24⅛	Danaher Co	0.12	0.3	24	40	u38⅛	38¼	38⅜	+¼
15⅞	10¾	Daniel Ind	0.18	1.3	34	70	14⅜	13⅞	14⅜	+¼
2⅝	⅞	Data Desig			3	594	1½	1¼	1½	+⅛
13⅞	7¾	DataGn			5	330	9¾	9⅜	9⅝	-¼
8¼	3⅜	Datapoint			6	621	6¾	6⅝	6⅝	
7⅜	5¾	Davis W&W	0.20	2.9	57	17	6⅞	6⅝	6⅞	+⅛
85	62⅞	DaytnH	1.60	2.2	16	2810	73½	72¾	73	+¼
104½	99	DytnPL7.7	7.70	7.6		2	101	100	101	-¼
10⅞	6⅞	De Soto	0.14	1.4	39	17	9⅞	9½	9⅞	+⅛
29¾	23⅛	Dean Foods	0.64	2.4	16	337	27½	27	27⅛	-⅜
46½	30⅝	DeanWD	0.40	1.1	10	11689	38⅝	35⅞	36⅜	-1⅝
9¼	8¾	DeanWGv	0.72	8.2		1597	8⅞	d8⅝	8¾	-⅛
78⅝	42⅜	Deere	2.00	2.9	50	3975	71¼	70	70	-1⅛
2⅝	⅝	Del Val Fn			0	478	1	⅞	⅞	-1/16
25⅞	21⅜	DelmPL	1.54	7.1	12	232	22	21⅝	21¾	-¼
68¾	46¾	DltaAir	0.20	0.3	10	810	60⅛	59⅜	60	+½
16¼	10¼	Delta Wdsd	0.40	3.6	12	428	11	10⅞	11	-¼
3½	1⅞	Deltona			2	22	2⅝	2⅝	2⅝	
47¾	31⅞	Deluxe	1.44	4.1	19	1254	35¼	34¾	35⅛	+¼
27⅛	25⅜	DetrEd2.28	2.28	8.9		2	25¾	25¾	25¾	
102	93	DetrEd7 45	7.45	7.5		z40	99	99	99	
106	95¾	DetrEd7 68	7.68	7.6		z100	101⅛	101⅛	101⅛	
108	101¼	DetrEd9 32	9.32	9.1		5	102½	102½	102½	
105	105	DtrEd9.72	9.72	9.3		2	u105	d105	105	
37⅛	30⅜	DetrEd	2.06	6.6	9	1237	31½	31⅛	31¼	-¼
28⅞	20⅜	Dexter Crp	0.88	3.7	16	52	23⅝	23⅝	23⅞	+⅛
30¾	17⅛	Diag Prods	0.40	2.2	15	135	18	17⅞	18	
44½	35⅞	DialDel	1.12	3.0	40	309	38	37⅝	37¾	-⅜
13⅞	9⅛	Dial Reit	0.88	8.8	82	95	10⅛	10	10	-⅛
27⅞	17	Diamond Sh	0.52	2.1	28	246	24¾	24⅜	24⅜	-¼
12	3.80	Diana Corp			58	13	7⅛	7	7	
61⅝	38	Diebold	1.20	2.0	24	55	58⅞	58¼	58⅝	-¼
19⅞	12⅜	DigitC			2	202	18¾	18⅝	18¾	
49¼	32¾	DigitE			51	3132	36⅝	36⅛	36½	
52¾	33⅛	Dillard	0.08	0.2	18	4296	41	40½	40½	-¼

1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
133½	107	GenRe	1.88	1.7	14	1902	112	110⅜	110⅜	-½
36¾	30	GenSig	0.45	1.2	76	670	36¾	35⅝	36	+¼
49⅛	31¼	Genentech			125	1753	u49⅛	48¾	49⅛	+⅝
11½	5¾	Genesco			16	844	6⅝	6⅛	6⅛	-⅜
18⅞	9⅝	Geneva Stl			18	319	15⅜	15	15⅛	-⅛
6⅛	2⅞	Genrad Inc			2	406	4⅞	4⅝	4⅞	+⅛
38¾	32⅞	GenuPt	1.06	2.7	18	1479	u38¾	38⅜	38⅝	+⅛
0.11	1/16	GEO Intl			0	345	u0.11	0.08		
29	25½	GrgiaP2.5	2.50	9.8		15	26	d25½	25½	
26⅛	25½	GrgiaADJA	1.73	6.7		6	25¾	25¾	25¾	
23½	16½	Grgia Gif			21	2108	21	21	21	
75	55	GrgiaP	1.60	2.2	47	7257	72¾	70½	72¼	+⅜
27	24¾	GrgiaP Pf	1.56	6.2		3	25⅜	25⅜	25⅜	
26	24¾	Grgia Pwr	1.56	6.2		6	25⅞	25⅞	25⅞	
103½	97⅛	GrgiaP7.8	7.80	7.7		z100	102	101¾	101¾	-1¼
105	94	Grgia7.72	7.72	7.6		z100	102	102	102	
28	25½	GrgiaP2.43	2.43	9.5		4	25⅝	25⅝	25⅝	
32½	24⅛	GerbPr	0.88	3.2	16	923	27¾	26½	27¼	+¾
14⅞	10⅜	Gerber Sci	0.24	1.7	38	31	14⅛	14⅛	14¼	+⅛
13⅞	10⅛	Germany Fd	0.38	3.2		126	11¾	11⅝	11⅞	
15½	10	Getty Petr	0.06	0.5	36	42	12⅞	12⅞	12⅞	
12⅛	7⅝	Giant Grp			16	45	10⅛	10	10⅛	-⅛
13⅞	5⅛	Giant Inds	0.30	2.7	7	62	11⅛	10⅞	11⅛	+⅛
63⅝	47⅜	Gillte	0.84	1.3	24	5662	63½	62½	62½	-1⅛
5¾	1⅞	Gitano Grp			0	334	2⅜	2⅛	2⅜	
24¼	14¾	Glaxo	0.50	2.7	15	6852	19	18¾	18⅞	-⅜
16⅛	11½	Gleason Co	0.40	2.8	3	66	14⅜	14¼	14⅜	
7⅞	7	Global Gov	0.64	8.8		356	7⅜	7¼	7¼	
10	8¾	Global Inc	0.82	8.5		86	9⅝	9½	9⅝	
5⅝	2⅛	Global Mar			17	1902	4⅝	4½	4⅝	-⅛
8¾	7⅜	Global Yld	0.64	7.8		208	8¼	8⅛	8¼	
50⅜	36	GlWstFn	0.28	0.7	8	2048	38¼	d37½	37⅞	-¼
54¼	40¾	Gdrich	2.20	4.9	32	1133	45	44½	44¾	-⅛
53½	47¾	Goodrc 3.5	3.50	6.7		6	52¼	52⅛	52¼	-⅛
48⅞	32¾	Gdyear	0.60	1.4	13	4116	42⅛	41⅜	41⅜	-⅜
10⅜	6⅛	Gottschalk			8	12	9⅞	9⅝	9⅞	+⅛
41¼	34⅜	GraceWR	1.40	3.7	15	2383	38¼	37½	38	+¼
66¾	51⅝	GrngrW	0.72	1.3	19	466	55⅜	54½	54⅝	-⅞
35	22½	GtA&PT	0.80	2.8	65	168	28⅞	28⅝	28⅞	+¼
15	8⅞	Great G Eu	0.11	0.8		112	13⅜	13⅛	13⅛	
84	64½	Gt Lakes C	0.34	0.5	19	1300	73	71⅝	73	+⅜
68¼	36¼	Gt Nth Iro	4.40	10.1	10	6	44	43½	43¾	+¼
20⅞	15¼	GtWFin	0.92	5.1	32	2393	18⅜	18	18	-⅛
36⅝	30⅞	Green Mt P	2.12	6.6	14	51	32⅛	31½	32⅛	+⅜
62½	23¼	Green Tree	0.33	0.7	15	3360	50⅛	48⅝	48⅝	-1⅝
18⅞	13¼	GreinerEng	0.24	1.7	16	45	14⅜	14¼	14¼	-⅛
17⅞	12¾	Grow	0.24	1.6	19	164	15⅛	15	15⅛	
10⅝	7½	Growth Spn	0.15	1.6		744	9¾	9⅝	9¾	
41⅞	24⅛	Grmman	1.20	3.1	9	638	39⅛	38¾	39⅛	+⅜
21½	15½	GrTrbADR				1099	u22	21½	22	+1⅜

1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
13⅞	12½	Kemper Mun x	0.87	6.8		184	12⅞	12¾	12¾	-½
13¼	12¼	Kemper Str x	0.90	7.2		16	12½	12⅜	12½	+⅛
42¾	28	Kennmtl	1.16	2.9	564	114	39½	38½	39½	
22⅝	18¾	Kerr G 1.7	1.70	8.0		3	21⅛	21⅛	21⅛	
58	41¾	KerrMc	1.52	3.1	101	1453	49⅞	48¾	48⅞	-⅜
46	32¼	KeyCp	1.24	3.6	9	903	34⅞	34⅛	35	+½
12⅛	7¾	Keystn Con			10	20	9⅞	9⅛	9⅛	-⅛
29⅛	23	Keystn Int	0.72	2.8	21	395	26⅛	25½	25¾	-½
62	44⅜	KimbCl	1.72	3.3	26	2031	52⅛	51¼	51⅝	-¾
3¼	2	Kimmins En	0.03	1.3	11	30	2½	2⅜	2⅜	
43¾	31¾	KngWld			14	926	38	37¾	38¼	+⅛
65	50⅝	KnRdd	1.40	2.5	21	1719	56¼	55⅝	55⅞	+¼
13⅝	8	Knogo Corp	0.10	0.9	21	94	11⅛	11	11⅛	+⅛
8⅝	5⅜	Kollmorgen	0.06	1.1	7	61	7½	7½	7½	
18½	12¼	Korea Fd	0.47	2.6	448	17488	18	16⅞	17⅞	+½
21¾	14¼	Kroger			12	1033	18½	18¼	18½	+⅛
32¾	27⅝	KU Energy	1.60	5.7	13	84	28⅛	28	28⅛	+⅛
17⅛	13¾	Kuhlman Co	0.60	3.7	67	32	16⅛	16	16⅛	
122⅞	84½	Kyocera CP	0.88	0.8	49	3	107	107	107	-2
21¾	14½	Kysor Indu	0.44	2.6	10	153	16¾	16½	16⅝	-⅛

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1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
13⅝	8¼	LA Gear			4	894	11⅝	11	11¼	-⅜
43⅞	33¾	LG & E En	2.08	5.5	13	92	37⅞	37⅝	37¾	-¼
19¼	10⅞	LSI Lg			15	3701	14⅞	14⅜	14½	-⅛
33¼	13½	La Quinta	0.15	0.5	34	16	32½	32⅜	32½	
13⅛	7⅞	LaQuin MR	0.15	1.2	102	160	u13⅛	12⅞	12⅞	-¼
35	25⅛	LaZBoy	0.60	1.7	19	29	d35	34⅝	34¾	-⅛
10⅝	4⅛	Lac Minls x	0.06	0.8	266	3009	8	7¾	8	+¼
49⅞	40	Laclede Gs	2.44	5.0	14	96	48⅜	47⅛	48⅜	+1½
21⅞	14½	Lafarge	0.30	1.5	77	339	20¼	20⅛	20¼	
45¼	23¼	Lands End	0.20	0.5	20	140	42⅝	42	42½	-⅛
15½	12⅛	Lawter Int	0.40	3.0	20	388	13⅜	13¼	13⅜	+⅛
17⅛	14¼	Learonal	0.52	3.2	15	145	16⅛	16	16	
32⅞	27	Lee Entrp	0.80	2.5	18	306	32	31⅝	32	+¼
25¼	19¼	Legg Mason	0.40	1.7	8	395	22⅞	22⅝	22⅞	+⅛
47	32⅜	LeggPl	0.56	1.3	22	105	44⅞	44	44	-¾
12¾	2⅜	Lesley Fay			1	233	3⅝	3½	3½	-⅛
1⅞	½	Liberte In			0	168	1⅝	1½	1⅝	
11⅞	10⅜	Liberty AS	1.08	9.7		812	11⅛	11	11⅛	
34⅝	24⅝	Liberty Cp	0.56	2.3	9	109	24⅞	d23⅞	24⅛	-⅝

1993 High	Low	Stock	Div	Yld. %	P/E	Sls 100s	High	Low	Close Quote	Ch'ge Prev. Close
7	4	Nord Res			7	194	5	4¾	5	+⅜
69⅞	59¾	NorfkS	1.92	2.9	18	1690	67¼	66¾	67⅛	-⅛
30¾	21¾	Norsk Hydr	0.42	1.4	27	1001	u30⅞	29⅞	29⅞	
8	4¼	Nortek Inc	0.10	1.3	6	96	7⅞	7¼	7⅞	
13¼	7⅝	Nth Fork	0.45	4.1	9	582	11⅝	10⅞	11	-½

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In the Ukraine, unable and

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4 pm close November 19

NYSE COMPOSITE PRICES

Continued from previous page

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1993 High	Low	Stock	Div	Yld %	P/E	Sls 100s	High	Low	Close Quote	Chg Prev. Close
88⅞	59⅞	Xerox	3.00	3.6	32	1770	82⅝	81⅜	82⅝	+⅛
55½	51½	Xerox4.125	4.12	7.5		z100	54¼	54¼	54¼	
50½	31¾	Xtra Corp	0.48	1.1	17	871	43½	42⅝	42⅞	+⅛
29¼	19½	Yankee Egy	1.16	4.4	18	130	26⅝	25¾	25⅞	+½
1⅝	⅝	Zapata			21	955	1½	1⅜	1½	
10½	5⅞	ZnithE			2	1133	7¾	7⅝	7⅝	-¼
29¼	19⅝	Zenith Nat	1.00	4.5	10	73	22⅝	22⅛	22¼	-⅛
8	6½	Zemex Inc	0.82	10.7		52	7⅝	7½	7⅝	+⅛
16⅞	12¾	Zero	0.40	2.6	19	239	15½	15¼	15½	
40¾	25⅞	Zurn Ind	0.88	3.2	60	357	27⅞	26¾	27⅝	-¼
13⅝	12⅝	Zweig Fund	1.12	8.4		166	13½	13⅜	13⅜	-¼
10⅞	9⅝	Zweig Tot	0.96	8.9		429	10¾	10⅝	10¾	

Price data supplied by Telekurs

Yearly highs and lows reflect the period from Jan 1, excluding the latest trading day. Where a split or stock dividend amounting to 25 percent or more has been paid, the year's high-low range and dividend are shown for the new stock only. Unless otherwise noted, rates of dividend are annual disbursements based on the latest declaration. Sales figures are unofficial.

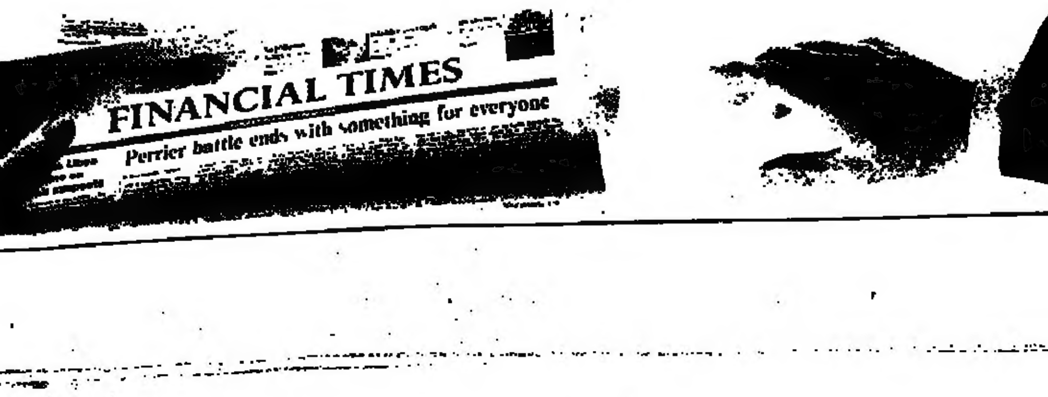
a-dividend also extra(s). b-annual rate of dividend plus stock dividend. c-liquidating dividend. cld-called. d-new yearly low. e-dividend declared or paid in preceding 12 months. g-dividend in Canadian funds, subject to 15% non-residence tax. i-dividend declared after split-up or stock dividend. j-dividend paid this year, omitted, deferred, or no action taken at latest dividend meeting. k-dividend declared or paid this year, an accumulative issue with dividends in arrears. n-new issue in the past 52 weeks. The high-low range begins with the start of trading. nd-next day delivery. P/E price-earnings ratio. r-dividend declared or paid in preceding 12 months, plus stock dividend. s-stock split. Dividends begin with date of split. sls-sales. t-dividend paid in stock in preceding 12 months, estimated cash value on ex-dividend or ex-distribution date. u-new yearly high. v-trading halted. vi-in bankruptcy or receivership or being reorganized under the Bankruptcy Act, or securities assumed by such companies. wd-distributed. wi-when issued. ww-with warrants. x-ex-dividend or ex-rights. xdis-ex-distribution. xw-without warrants. y-ex-dividend and sales in full. yld-yield. z-sales in full.

AMEX COMPOSITE PRICES

4 pm close November 19

NASDAQ NATIONAL MARKET

4 pm close November 19



FT GUIDE TO THE WEEK

22
MONDAY

Bosnia peace plan

Western European Union foreign and defence ministers will discuss in Luxembourg the Franco-German initiative to end the Bosnian war by gradually lifting sanctions against Serbia in return for land for the Moslems.

As winter begins to bite in the Balkans, the plan marks the first evidence of a shift in European tactics away from isolation of Serbia and more toward incentives for President Slobodan Milosevic of Serbia to end the war.

Moscow: German Chancellor Helmut Kohl calls on President Boris Yeltsin on his way back from his trade-boosting trip to China. On the agenda are economic co-operation and support for Russia's reform process. They may also discuss the looming elections in both countries.

Cape Town: Parliament resumes for the last session of white-dominated legislature amid continuing efforts from the ANC and government to persuade the white right wing and the Inkatha Freedom Party to accept the draft constitution agreed last week.

Paris: Israeli and Palestinian economic chiefs hold talks on economic relations, in particular an Israeli proposal for a customs union. The Palestinians want greater economic sovereignty than Israel expected and intend to lay the foundations of an independent Palestinian state.

London: The Scott inquiry into the illegal export of arms to Iraq resumes its public hearings following a two week adjournment.

Lord Justice Scott is probing the extent to which ministers breached their own guidelines restricting defence exports to Iraq in the 1980s, whether or not parliament was misled, and if a conspiracy lay behind the controversial trial last year of three UK businessmen employed by the machine tool maker Matrix-Churchill.

Korean missile crisis

However much US president Bill Clinton may wish to emulate President J.F. Kennedy (left), who was assassinated 30 years ago today while on an official visit to Dallas, he can hardly want a Cuban-style missiles crisis for himself or the world. Clinton has stated "North Korea cannot be allowed to build a nuclear bomb". He meets the South Korean president to discuss the crisis tomorrow.

23
TUESDAY

EU work time directive

A meeting in Brussels of the EU social affairs council (employment and labour ministers) will pass the controversial working time directive. Britain has won a seven-year delay on implementing the 48-hour limit on the working week, but much else – such as statutory holidays and controls on night work – will become law within three years unless the UK government succeeds in its legal challenge to the directive.

Washington: President Clinton meets South Korean President Kim Young Sam to discuss the North Korean nuclear issue. The two leaders may offer to cancel Team Spirit, their biggest annual military exercise, in return for the North allowing routine international inspections of its nuclear facilities and resuming dialogue with the South.

The North recently proposed that Pyongyang and Washington make simultaneous concessions, such as US recognising the North in return for the acceptance of complete nuclear inspections.

Opec swims against the tide

The Organisation of Petroleum Exporting Countries meets in Vienna against the familiar background of weak oil prices. Some analysts believe a cut in output may be needed to halt the price slide. Benchmark Brent Blend has been trading at about $15-16 a barrel; the Opec target price is $21 a barrel.

Gatt: Sir Leon Brittan, EU Trade Commissioner, holds bilateral talks in Washington with Mr Mickey Kantor, US Trade Representative, aimed at settling Uruguay round disagreements over tariff cuts, farm trade, anti-dumping rules and financial services.

Bonn: The Bundestag, the lower chamber of the German parliament, begins the annual Budget debate (to Nov 25). The plan includes a savings package aimed at cutting social spending and keeping the deficit below DM70bn next year.

John Major, UK prime minister, faces John Smith, leader of the opposition Labour party, in the first question time of the new parliamentary session, which takes place on on the third anniversary of Major's assuming the top job in British politics.

The Institute of Directors, Britain's bosses' club, holds its annual dinner this evening. The guest speaker is Michael Heseltine, secretary of state for trade and industry.

24
WEDNESDAY

In the wake of da Gama

Some 496 years ago Vasco da Gama, the Portuguese navigator, became the first to round the Cape of Good Hope to open up a trade route to India. In Geneva his latter-day counterparts resume negotiations open up world markets through a Gatt trade deal (to Nov 25).

These will be the first multilateral talks since the US Congress approved plans for Nafta last week, a vote which trade officials hope will give the Gatt talks vital momentum. Teams will focus on procurement and market access in an effort to surmount barriers to a Uruguay round agreement.

Brussels: The European Commission discusses Jacques Delors' white paper on growth, competitiveness and employment. It is likely to be the first time the commissioners have seen a complete draft of the paper which has been in preparation for months. The paper is due to be presented to the summit of EU leaders in Brussels on December 10 and 11.

Düsseldorf: The defence begins its closing arguments at the trial of the former East German spymaster Markus Wolf. The prosecution has asked for a seven-year sentence.

Philip Morris, the US tobacco group, is holding a board meeting to consider a number of restructuring plans aimed at cutting its cost base.

The company has already warned shareholders and analysts that it will take a "significant" charge against its fourth-quarter earnings to pay for any cost-reduction measures.

Whisky to go go go: The last 14 bottles of whisky salvaged from the wreck of the SS Politician, the ship loaded with whisky for export which sank off the island of Barra in the outer Hebrides in 1941 and inspired the book and film Whisky Galore, are to be auctioned at Christie's in Glasgow.

Football: Europe's most prestigious club competition reaches its serious stage as the eight remaining clubs begin play in the European Champions' League. In group A Monaco entertain Spartak Moscow and Galatasaray of Turkey are at home to Barcelona. In group B AC Milan visit Anderlecht of Belgium and Werda Bremen go to Porto of Portugal.

In the UEFA cup, Norwich City play host to Italy's Inter Milan.

FT survey: The Basque Country. Recession is taking its toll on the heavy industrial base of the autonomous region in north-western Spain.

25
THURSDAY

Middle East peace moves

Yassir Arafat, chairman of the Palestine Liberation Organisation, begins a tour of Norway, Sweden, Denmark and Finland. Secret talks in Norway arranged by the Norwegian foreign minister, Joergen Holt, helped bring about the peace breakthrough.

Negotiators continue talks in Cairo to hammer out an agreement on Israel's partial military withdrawal from the occupied Gaza Strip and the Jericho area of the West Bank. Agreement must be reached by December 13 to allow the signing of a protocol under the Israeli-Palestinian peace accord signed in Washington in September.

Meanwhile, rumours persist of contacts between Israel and Syria.

Bonn: UK prime minister John Major flies to Bonn with a full team for the 23rd annual Anglo-German summit, hosted by Chancellor Helmut Kohl. Talks will range from the outlook for the European Union after Maastricht, through the enlargement of Nato, to such topics as tactics for a successful conclusion of the Gatt negotiations.

Trade talks: Peter Sutherland, Gatt director general, meets heads of delegations in Geneva to assess progress towards a Uruguay round agreement. The OECD has estimated that a successful conclusion to the round could boost world trade by $270bn.

Spain: Nationwide trade union demonstrations are planned against government plans to freeze state employee wages and to deregulate rigid labour legislation. The strikes come in a week when government figures are likely to show the unemployment rate reached 23 per cent in the third quarter.

Japanese banks

Interim results today and tomorrow. In the wake of the recent collapse of Muramoto Construction, the biggest financial failure in Japan since the war, the banks' debt write-offs will give a clue to the health of banking system – though the figures will not yet include the direct impact of Muramoto. A poor showing could nudge the ailing Nikkei lower.

FT survey: Belgian Banking and Finance. Belgium has long been home to the European Union's political institutions, but has the country's financial sector got what it takes to survive and prosper in the single market the EU has created?

26
FRIDAY

Czech privatisation delay

Few state enterprises look likely to meet the end-of-November deadline for presenting accounts so that potential investors can choose how to invest their coupons. As companies also have to draw up end-of-year accounts, many wish to avoid two sets of accountants' bills.

The delay will probably put back the first round of privatisation from February 1 1994 to March 1.

Belgium: Unions have called for nationwide strikes against the government's austerity programme.

Ankara: Senior Turkish and Iranian security officials meet to discuss co-operation on border security.

Budapest: Irish president Mary Robinson is to receive the Freedom Prize at the Liberal World conference in recognition for her efforts to bridge the sectarian divide in Ireland.

27-28
WEEKEND

Honduras goes to the polls

The country is holding presidential, parliamentary and municipal elections on Sunday. Opinion polls give Carlos Reina of the centrist Liberal Party, a slight lead in a bitter presidential campaign over Oswaldo Ramos on the right of the right-wing National Party of President Rafael Callejas.

England vs All Blacks: The New Zealand touring side, following their record win against Scotland last week take on England in the rugby union international at the Twickenham ground in London on Saturday.

NEXT WEEK

UK Budget on Tuesday November 30. The first unified Budget and the first for chancellor Kenneth Clarke.

Compiled by Patrick Stiles.
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ECONOMIC DIARY

Statistics to be released this week

Country	Economic Statistic	Day Released	Previous Actual	Median Forecast
UK	CBI industrial trends	Fri 26	-	-
US	Oct Durable goods orders	Wed 24	0.7%	1.8%
	Auto sales Nov 11 - 20	Wed 24	7m units	7m units
	Truck Sales Nov 11 - 20	Wed 24	5.4m units	5.2m units
	Weekly Money supply M1	Fri 26	$10.9bn	$1bn
	Oct Bank credit	Fri 26	4.3%	-
Japan	Sep leading indicators	Mon 22	50 %	-
	October inflation	Fri 26	1.2%	1.2%
	Oct Retail sales	Fri 26	-3.7%	-3.8%
Germany	Oct Money Sup M3	Mon 22	6.8%	6.7%
During this week...				
Germany	Oct producer price index		-0.6%	-0.3%
	Nov prelim cost of living		3.9%	3.7%
	Oct import prices		-1.5%	-3.5
	Ifo business climate		87.7%	-
Spain	Q3 unemployment		22.3%	23%
Italy	Sep wholesale price index		6.5%	-
	Oct money supply		7.8%	7.7%
Belgium	Nov inflation		2.7%	2.6%
Denmark	Oct inflation		1.2%	1.5%
Canada	Sep earnings		1.7%	1.5%

Important inflation data in Germany this week will affect the market's perception of how quickly and how soon the Bundesbank is likely to lower its lending rates.

Attention today will focus on the October M3 growth rate with many believing it will fall within the 4.5-6.5 per cent target range for the first time this year. The consensus forecast suggests M3 in October will rise by 6.7 per cent.

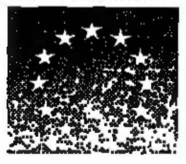
Later in the week, the Federal Statistics Office releases the preliminary cost of living index for November. In the year to October, cost of living inflation was 3.9 per cent, its lowest since June. Analysts expect the index to have risen 3.7 per cent in the year to November.

The last week before the Budget in the UK brings few economic statistics, but the Confederation of British Industry releases its November industrial trends survey on Friday. It will give a clue as to whether or not the UK is enjoying a non-inflationary recovery with strong exports. On Thursday, the CBI produces its forecasts and recommendations for the Budget.

In Spain, third-quarter unemployment is forecast to be about 23 per cent. This measure comes from a quarterly survey based on a rather loose definition of unemployment. A poor figure will probably boost the bond market in the expectation that pressure will increase for lower interest rates.

Emma Tucker

POLITICAL DIARY



BRUSSELS

Monday: EU economics and finance ministers are likely to agree to expand the growth initiative by making loans from the European Investment Bank more readily available. They will also formally approve Alexandre Lamfalussy as head of the European Monetary Institute.

Fisheries ministers meet for their annual price-setting session.

Tuesday: Social affairs ministers look at commissioner Padraig Flynn's green paper on social policy.

Thursday: EU president Jacques Delors and Hans van den Broek, commissioner for external affairs, meet Shimon Peres, Israeli foreign minister to discuss Middle East peace. The EU has pledged £385m aid for the West Bank to help smooth the deal.

Friday: Belgian unions are threatening a general strike, in protest against the government's austerity plan.

WASHINGTON

Monday: Leon Brittan, EU Trade Commissioner, arrives for talks with Mickey Kantor, US trade representative, on Gatt.

President Fidel Ramos of the Philippines visits the White House for talks with President Clinton on economic and security issues.

The House of Representatives debates the Penny-Kasich to reduce federal spending by $100bn over the next five years.

Tuesday: The House of Representatives adjourns until January. The US Senate will also adjourn until January later this week, but no definite date has been set.

Thursday: President Bill Clinton, the Nafta deal under his belt, will retreat with first lady Hillary Rodham Clinton an daughter Chelsea to eat turkey at Camp David over the Thanksgiving holiday.

US financial markets and most businesses will be closed.

TOKYO

Monday: Official figures for Household Spending and the index of leading indicators for September due to be published by the Economic Planning Agency will shed light on the depth of the downturn in the Japanese economy.

Tuesday: National holiday to celebrate Thanksgiving.

Wednesday: Mongolian prime minister Puntsagiin Jasrai, arrives for a five-day visit. He holds talks with prime minister Morihiro Hosokawa on Thursday to discuss a Japanese aid package.

Mongolian prime minister Jasrai is due to meet Emperor Akihito and Empress Michiko at the imperial palace. .

Friday: Former UK prime minister Margaret Thatcher is to receive an honorary doctorate at Gakushuin University.

Her visit coincides with the launch of the Japanese version of her book The Downing Street Years.

LONDON

Monday: The Commons' third day of debate on the government's legislative programme laid out in the Queen's Speech will deal with local government in Scotland and Wales. Debates on the Queen's Speech continue until Thursday, covering home affairs, education, trade and industry and deregulation and the economy.

Tuesday: Malcolm Rifkind, defence secretary, will answer defence questions. Mr Douglas Hurd, foreign secretary, will give evidence to the foreign affairs select committee on the European summit to be held in December.

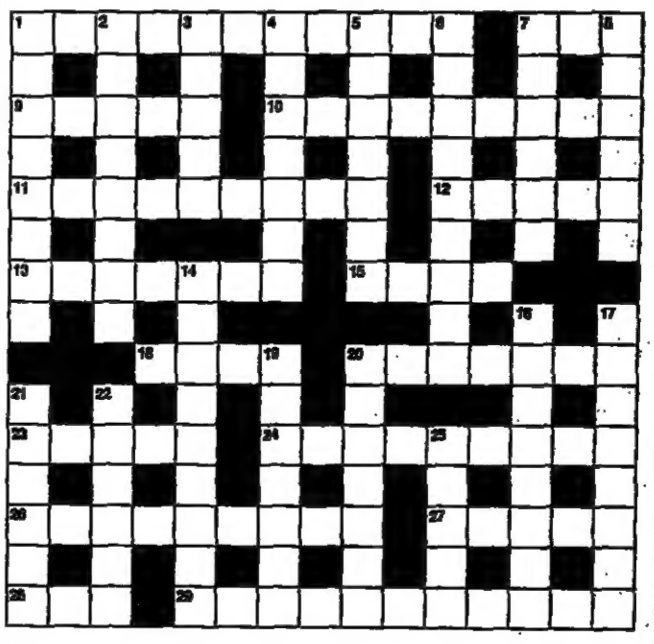
Wednesday: Trade and Industry questions.

Thursday: Home Office questions are likely to focus on the government's ambitious plans to reform the criminal justice system.

Friday: Commons debate on progress towards national education and training targets.

MONDAY PRIZE CROSSWORD

No.8,312 Set by DANTE



ACROSS

1 He wants to go back in politics (11)
7 May be lucky for a pickpocket (3)
9 Guardian article wins back support (5)
10 Become liable to debts without interest (9)
11 Army signalling? (9)
12 A bit of an act? (5)
13 Fresh lies and disclaimers (7)
15 Deck shipshape? (4)
18 Keeping steady company (4)
20 New name given to one flower (7)
23 Result of test matches or match tests (5)
24 No action required about coach reservation (9)
26 Rational converse? (9)
27 In the meantime, I'm off to Bury! (5)
28 A state in America – no matter which? (3)
29 They go to blazes (4,7)

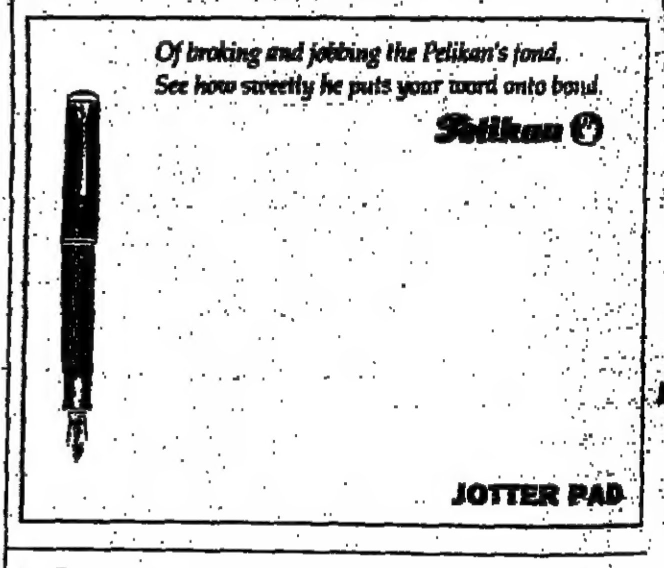
DOWN

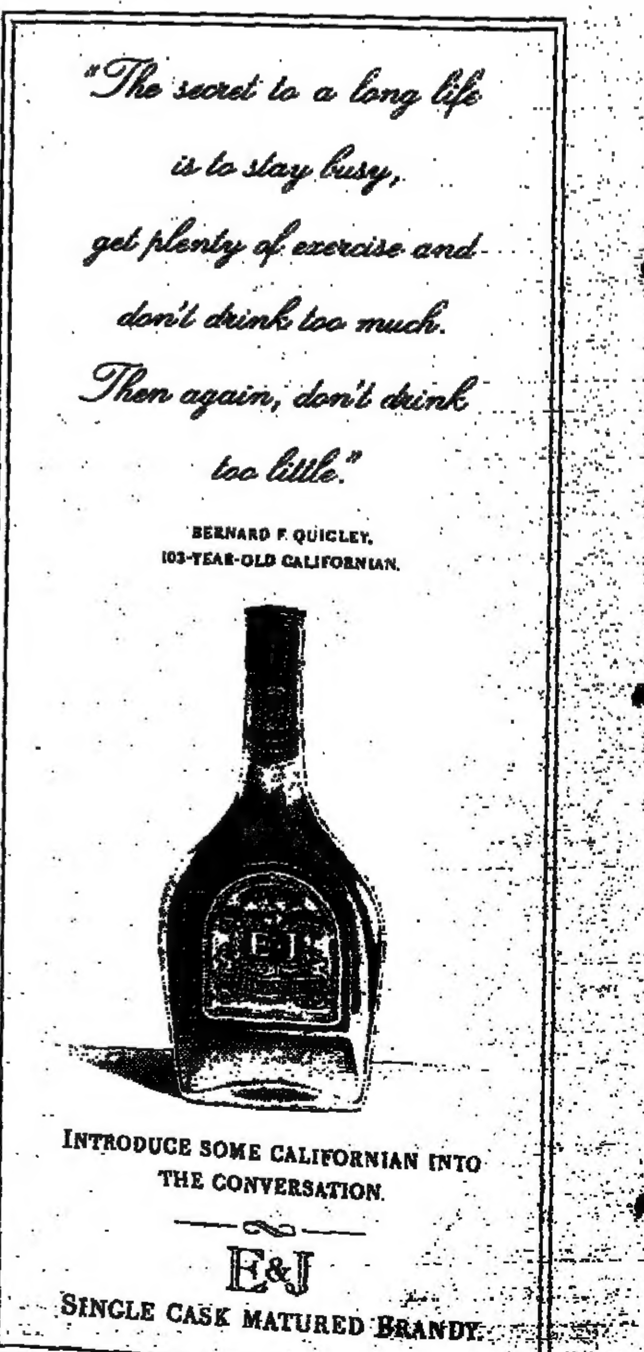
1 Music in D sharp, nothing unusual at the end of the day (8)
2 Words are not about to stick (8)
3 Switch lit up bulb (5)
4 Portentous doctor lifted one with commonsense (7)
5, 19 down Itinerant craftsman in poetry (7,7)
6 There's nothing risky with her new type of pudding (9)
7 His job is to transfer stock (6)
8 Not French, but Latin accepted (6)
14 Digits used in an argument – rather excessive! (1,3,5)
16 World water speed records were set here, not sonic however (8)
17 Achievement sure to be written about in newspapers (8)
19 See 5 down
20 To tackle this crossword is beneath Jack – forgive him! (7)
21 A shooting-box? (6)
22 They hold an alternative supposition (6)
25 Kicking oneself for getting rug in bad condition (5)

A prize of a Pelikan New Classic 390 fountain pen for the first correct solution opened and five runner-up prizes of £35 Pelikan vouchers will be awarded. Solutions by Thursday December 2, marked Monday Crossword 8,312 on the envelope, to the Financial Times, 1 Southwark Bridge, London SE1 9HL. Solution on Monday December 6.

Name__________

Address__________





to proceed.
In the Ukraine, unable and

Electricité de France, told the